



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

For the meeting of: February 23, 2010

Date: January 19, 2010

To: Board of Supervisors

From: *Kirk Girard*
Kirk Girard, Director Community Development Services

Subject: Presentation of the Headwaters Fund Workforce Challenge Grant Initiative

RECOMMENDATIONS:

That the Board of Supervisors:

- 1) Review and approve the Headwaters Fund Workforce Challenge Grant Initiative recommended by the Headwaters Fund Board (Attachment 1);
- 2) Authorize the Chair of the Board to sign the grant contract when completed, after review and approval by County Counsel and Risk Management;
- 3) Approve the creation of Fund #3849 for the Headwaters Grant Fund Initiative; and
- 4) Direct Treasurer to post interest from the Headwaters Revolving Loan Fund (#3843) to the Headwaters Grant Fund Initiative (#3849).

DISCUSSION:

Patrick Cleary, Headwaters Fund Board (HFB) Chair, will present the concept behind this Headwaters Fund Workforce Challenge.

Prepared by Dawn Elsbree, Headwaters Fund Coordinator

CAO Approval

Phillip Smith Hayes

REVIEW:	Auditor <u>CRO</u>	County Counsel <u>JTS</u>	Personnel _____	Risk Manager _____	Other _____
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TYPE OF ITEM:

- Consent
- Departmental
- Public Hearing
- Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor
 Seconded by Supervisor
 And unanimously carried by those members present,
 The Board hereby adopts the recommended action
 contained in this report.

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

Dated: _____
Kathy Hayes, Clerk of the Board

By: _____

The HFB undertook a review and a strategic planning process in 2007. During this review and planning year, the HFB conducted study sessions with local leaders in business, government, transportation, financial and lending institutions, education, and workforce development. The results of the meetings led the HFB to identify key priority areas for proactive grant making. At the February 5, 2008 meeting, your Board approved the establishment of a Grant Fund Initiative. As stated at that time, a key priority area was workforce development, especially programs which support continuing education for our graduating high school students.

The HFB has identified the need to create a skilled workforce for the 21st century as a way to meet the needs of local business and industry and to alleviate the cycle of poverty. Currently, local companies are saying that they are unable to find employees who are work ready with the necessary trade, technical and professional education and training. In addition, as of the last census, 16.9% of our local population was living in poverty, as compared to a statewide number of 12.4% and our household median income was a little over \$37,000 as compared to a statewide number of close to \$60,000.

In an increasingly competitive world where a knowledge-based economy is becoming more important, it is essential that our workforce be better trained and educated. There are already areas in our local economy where there are shortages of trained people to fill jobs such as accounting, nursing, and information technology. These shortages will become wider spread as the number of high school graduates drops over the next three years.

In Humboldt County schools, a comparatively satisfactory high school graduation rate is offset by a below average rate of students continuing on for additional education and training. The economic safety net for individuals with limited basic skills that has been here for generations is gone. In the past, Humboldt County relied on the timber and fishing industries, which offered good paying jobs that did not require advanced education or training. The critical importance of continuing education was not a high priority. That scenario has changed dramatically. Youth who do not successfully complete high school and acquire some additional training/education face bleak prospects of being able to find work in our changing economy. Now, it is critical to create a path for today's students to complete high school and continue their education.

The Headwaters Fund is proposing a challenge to the community to create a 10-year initiative to improve achievement, school completion, and continuing education rates. Success in this area heavily depends on the participation and buy-in of the business community, school systems, teachers, parents, and families.

We are proposing an initial \$150,000 grant to the Humboldt County Board of Education in 2010. This will be matched by other local funding sources. The purpose is to engage the North Coast community in creating the initiative and implementing the specific activities outlined in the attached framework.

This first grant award, \$150,000, will be the initial installment of a total \$1.5 million commitment by the HFB over the next 10 years to ensure that by 2020 North Coast employers have a trained workforce. The total \$1.5 million grant initiative will be awarded in \$150,000 annual disbursements following submittal and approval of yearly budgets to the HFB.

The Humboldt County Office of Education has completed five years of research related to this issue and has some preliminary strategies identified to provide a framework for community discussions. Once the initiative detail and work plan is completed, activities will be overseen by the Humboldt County Office of Education and a Steering Committee of community members. A HFB Member and/or staff will attend

Steering Committee meetings and provide input and monitor progress towards the goals. Match funding of over \$400,000 in year one has already been promised by the Humboldt County Office of Education.

This broad-based community effort is necessary in order for Humboldt County to effectively combat the pervasive workforce and poverty issues confronting our region and to ensure there is a vibrant economy in the years to come.

The report approved by your Board, dated February 5, 2008, approved the Grant Initiative and authorizes \$638,405 to be dedicated to the Grant Fund Initiative. This report is asking your Board to open trust fund #3849 to allow Community Development Services – Economic Development Division to transfer the money to the trust to allow for proper tracking. The report dated February 5, 2008 also indicates that the bank interest earned on the Revolving Loan Fund and posted by the treasurer's office would be dedicated to the Grant Fund Initiative to fund future projects. The interest accrued on the loaned funds through the lending agencies would be retained in the Revolving Loan Fund to protect against loan losses. In the event the Revolving Loan Fund does not incur any losses, the fund would continue to grow and a periodic sweeping of funds (over \$8 million) would be required. As of June, 30, 2009, the balance on the Revolving Loan Fund was \$9,303,805 and there have been no loan losses. This Grant Initiative will be funded by the amount in the Revolving Loan Fund in excess of \$8 million.

FINANCIAL IMPACT:

There are no financial impacts to the General Fund.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could decide not to fund the Headwaters Fund Grant Initiative Workforce Challenge.

ATTACHMENTS:

Attachment 1: A Decade of Difference: the 20/20 Vision

Attachment 1

A Decade of Difference: the 20/20 Vision

**A DECADE OF DIFFERENCE – THE 20/20 VISION
DEVELOPING HUMBOLDT COUNTY’S WORKFORCE
BUILDING THE NEXT GENERATION**

Background

Finding a ready, willing and capable workforce was the most significant issue raised by panels of employers who came to the Headwaters Fund Board in 2007/08. Employer after employer indicated that their company’s growth potential was dependent, in part, upon finding employees who are work ready with the necessary technical and professional education and training. Prior to the economic downturn, they were having a very hard time finding those employees. When the economy recovers, those challenges will continue unless there is a concerted effort to address the underlying causes.

The economic safety net for individuals with limited basic skills that has been here for generations is gone. Youth who do not successfully complete high school and acquire some additional training/education face bleak prospects of being able to find work in our changing economy. The economic transitions occurring on the North Coast as outlined in the Targets of Opportunity Report do identify future opportunities for our community. However, approximately 90% of the jobs in the Targets of Opportunity growth areas of Humboldt County’s economy require at least high school completion and in most occupations, training beyond high school. This is a significant change from as recently as twenty years ago and the skills gap that is evident between what employers need and what the local labor force can provide must be addressed.

Enrollments are also declining in our local schools. Although Humboldt County has one of the

higher high school graduation rates, we have one of the lower college going rates compared to the rest of the state and many parts of the nation. Approximately 76% of California's students complete high school. Even though graduation rates are higher in Humboldt County, any individual without a basic high school education and some additional training/education have limited opportunity to successfully participate in the 21st century economy. Given Humboldt County's historical reliance on the timber and fishing industries, which offered good paying jobs that did not require advanced education or training, the critical importance of continuing education was not a high priority. As we all know, that scenario has changed dramatically.

The consequences of not acquiring additional training and skills for the marketplace of tomorrow are severe. For example, individuals who do not complete high school have far fewer employment opportunities today than in past generations. They earn less, experience more unemployment and are much more likely to end up in the correctional system. The consequences of failing to obtain a high school diploma are severe to both the individuals themselves and to society and the economy at large. (General Accounting Office, "School Dropouts: Survey of Local Programs 2009).

California is not doing well in this regard. Among the 20 most populous states, California ranks 19th in the percentage of high school graduates who enroll directly in a 4-year college or university and 18th in the percentage who enroll in any post-secondary education or training facility. That sobering trend is reflected on the North Coast and must change if we are to develop a competitive workforce which is so important to current and future employers.

Humboldt County has not had a “culture” that promotes and supports the importance of every individual completing high school and continuing their education in skilled technical training or professional areas. Four year degrees are not necessary for all occupations, but some education and training beyond high school is now absolutely necessary. Changing that “culture”, resulting in more students graduating from high school and continuing on to post-secondary education and training will not be easy and cannot be done in 1-2 years, but it can happen in 10-15 years through hard work and a systematic, multifaceted approach.

The Presidents of Humboldt State University and College of the Redwoods, Superintendents of Humboldt and Del Norte County Offices of Education, local tribal representatives and business leaders have committed to work on proven strategies and approaches that will result in the type of dramatic cultural shift that is needed for the North Coast. The education community (pre-kindergarten through university) is an important player in this challenge, yet education cannot do it alone. It will take education working with families, businesses and communities across multiple years in order for this change to occur.

Developing an educated citizenry and 21st century workforce is critical to the economic well-being of local individuals, families and communities. The long term health of our regional economy is also at stake. We cannot expect to import people with the types of skills and education needed for our region. For the most part, we need to grow our own, because many areas of the country are facing a similar dilemma.

The future health and viability of the North Coast economy will, in part, be directly dependent on

how well and how soon this challenge is addressed. It is essential that our community launch a well-defined, multi-year effort utilizing research proven strategies in order to develop the technical and professional workforce that will be necessary for a vibrant healthy local economy.

Recommended Approach

If we are to develop a 21st century workforce ready to meet the needs of local employers, we will need to increase the percentage of students completing high school and continuing their technical and professional education and training.

Research clearly shows that a long term strategy starting early in a child's life and continuing through high school is required. We know that elementary students who perform at grade level or above in reading and math in 4th grade complete high school at higher rates. We know that children, who visit colleges and live in homes where parents support and regularly talk about the importance of education, continue their education and training beyond high school at higher rates. We know students who see a clear pathway for success in school and believe they can be successful, complete high school and continue their education at higher rates. We know that students, who complete high school units and are on track for graduation at the end of 9th grade, graduate at higher rates. We also know that students and their parents who "save for college" continue their education at higher rates. Any serious approach to building a competitive workforce and healthy economy must address these issues, if it is to be successful.

Nine strategies have been proven effective in accomplishing this work, according to Dr. Patricia McDonough, UCLA and Dr. Amy Fann, UCLA. When these strategies become a norm in how business is done, high school graduation rates, post-secondary attendance rates and foundations

for developing a prepared workforce increase.

The nine research-based proven strategies include:

1. Setting clear expectations and goals for individuals including continuing education and preparation for future work;
2. Developing a comprehensive career counseling model that integrates the importance of continuing education and training after high school;
3. Having clear, ongoing communication among students, teachers, administrators and families about what it takes to be successful in school and acquire the necessary skills to be competitive in the new international marketplace;
4. Engaging parents in the process of supporting their children related to the importance of continuing education and requirements of the future workforce;
5. Developing partnerships and promoting linkages between K-12, local colleges and universities and the business community;
6. Having accurate up-to-date information about student performance and communicating that to the student and family;
7. Involving faculty in the creation and maintenance of a culture supporting student achievement and the importance of continuing education so that it becomes the norm on the K-12 school campus;
8. Articulating coursework, programs and services between K-12 and post-secondary institutions; and,
9. Providing comprehensive up-to-date career-related information and resources to students, families and school personnel.

Local school districts, College of the Redwoods, Humboldt State University, local tribes and

local employers will actively work together to implement these strategies. CR has committed and is working to align their career technical/vocational education programs with the North Coast's Targets of Opportunity career areas. A recently awarded \$2 million dollar federal grant will assist in this effort. Teachers in K-12 are working with their post-secondary colleagues to articulate career technical courses and programs. CR is proposing to schedule college counselors on high school campuses to provide information and resources about what it takes to be successful in school and prepare for continuing education beyond high school. Work experience and internship programs are being expanded in K-12 including Workforce Investment Act programs that give youth the important on-the-job experience. Math and reading specialists have been hired to work with primary grade children performing below grade level standards. Intervention models focusing on student achievement, school completion and continuing education have been implemented in several local high schools. Professional development for local teachers is being aligned to focus on increasing student achievement. A school counselor has recently been hired to provide information and resources to middle schools' staff and students countywide. A multi-year North Coast county effort aimed at increasing math proficiency of K-12 students is being led by Dr. Jeff Marsee, President of College of the Redwoods. Mechanisms are in place to compile and monitor the data necessary to measure progress. With this increased level of coordination and cooperation, the framework to address this significant challenge on the North Coast is being constructed.

A steering committee is strongly recommending a ten-year initiative to develop the future workforce for Humboldt County's employers. This initiative must include focusing on providing up-to-date accurate resource materials for students, families and the community; financial

planning support for post-secondary education, CR and HSU visitations, intervention services for students falling behind and an early admission to CR and HSU programs. Three priority areas and four goals are being proposed, that if supported long term, will achieve the desired results of increasing the percentage of students completing high school, attending post-secondary technical or professional training and acquiring the high quality 21st century work skills that are needed for local employers. Resources to support these activities are not available through California's education system exclusively. If we want to "change the culture", we need to do it ourselves. A 10-year commitment divided into three phases is being proposed. Phase 1, an initial 4 yr. commitment, is followed by two 3 yr. renewals (Phases 2 and 3) based on progress and achievement of objectives. Baseline data not currently available will be developed in year 1.

Initiative Steering Committee – Role and Responsibilities

The steering committee for the initiative has been developed. The Committee is comprised of prominent business, community and education leaders throughout the region. The role of the committee is to:

- Promote and support the initiative within the committee;
- Monitor data, progress reports and the evaluation component;
- Act as a conduit for the initiative "benchmarks and stories," and,
- Provide strategic recommendations.

The current membership of the committee includes:

1. John Dalby, President/CEO - Redwood Capital Bank
2. Jacqueline Debets, WIB Executive Director - County of Humboldt

3. Jackie Deuschle Miller, Public Affairs Manager - Green Diamond Resource Co.
4. Garry T. Eagles, Superintendent - Humboldt County Office of Education
5. Kevin Hartwick, C.P.A. - Cholwell, Benz and Hartwick
6. Mary Keehn, Founder and Owner - Cypress Grove Chevre
7. Joe Mark, President & CEO - St. Joseph Hospital, Redwood Memorial Hospital
8. Jeff Marsee, President - College of the Redwoods
9. Jan Moorehouse, Superintendent - Del Norte County Office of Education
10. Rollin Richmond, President - Humboldt State University

OVERARCHING GOAL

A Decade of Difference, The 20/20 Vision: Creating a ready, willing, able and capable workforce evidenced by 95% of local students completing high school and 80% of high school graduates continuing on to post-secondary education for technical and/or professional training meeting the needs of North Coast employers.

Proposed strategy areas are as follows:

Priority Area 1: The North Coast Builds its Own Workforce

Goal: North Coast Employers will have a well prepared entry level workforce to meet their employment needs.

Activities

Resource Materials & Career Information

1. Age appropriate career related materials will be developed for teachers, students and parents at the K-5, 6-8 and 9-12 grade levels;
2. A career counselor will be hired to provide information, resources and support to grade 6-8 students in Humboldt County; and,

3. Career information and related activities will be integrated into grade 9-12 student clubs and organizations.

CTE Programs and Services

1. Common community advisory committees will be developed representing high school and post-secondary programs in common curricular areas; and,
2. Career Technical Education courses and programs will be aligned with Targets of Opportunity growth areas for grades 9-12 and post-secondary.

Service Learning, Work Experience and Internships

1. Work experience programs for grades 9-12 will be linked with the demand in Targets of Opportunity growth areas;
2. Service learning programs at the grade 9-12 level will incorporate career related activities; and,
3. Internship programs will be developed as a resource and support for local business and industry at the grade 9-12 and post-secondary level.

Innovation & Entrepreneurship Activities and Support

1. Classroom based entrepreneurship related activities will be developed and provided to grade 6-8 students county-wide;
2. The Junior Achievement entrepreneurship program will be expanded in middle school grades;
3. Entrepreneurship activities and curricula will be integrated into Career Technical and College Preparatory courses at the high school level;

4. Youth Business Plan competitions will be expanded region-wide; and,
5. Economic Fuel Business Plan Competitions will be provided at the post-secondary level.

Business/Community Linkages

1. Field trips to local businesses will be provided for K-5 and 6-8 grade level students; and,
2. Community Service clubs, chambers and other business organizations will be a resource for K-12 teachers, students and classrooms.

Priority Area 2: Encouraging Children and Parent Involvement

Goal : Every student will graduate from high school and continue their education in a vocational, technical or professional area.

Activities

Encouraging Children

1. An "I've Already Been Admitted to College" program for all 6th-8th grade students will be developed;
2. AVID will be expanded county-wide to middle schools and high schools;
3. All 3rd and 7th grade students will visit CR and HSU;
4. Every Humboldt County student will have a bank account as a savings vehicle for post-secondary education; and,
5. A scholarship safety net program will be developed ensuring any Humboldt County student attending post-secondary education will have access to the financial means to attend.

Parent Involvement

1. Designate and sponsor a countywide Family Involvement Month;
2. Develop public awareness campaign – research briefs, publications, opinion editorials, audio and visual media;
3. Create an awards program to recognize effective and successful efforts to increase school, family and community partnerships in support of Math/RLA proficiency or better on CA State Standards;
4. Collaborate with local PTA's on benefits of partnerships and sharing of research based strategies;
5. Sponsor "Community Conversations" across the region to discuss the question, "What can families, educators and community members, working together, do to increase student academic achievement, increase graduation rates and increase the number of high school students continuing on to post-secondary education and training;
6. Engage business leaders, community leaders and the faith community to solicit and fully encourage their participation in efforts to support student achievement, school completion and continuing education;
7. Develop technical assistance, proposal development, resources and best practices resource work to support school level family and community partnership strategies;
8. Develop age appropriate resource materials and distribute to all pre-schools, child care centers and pediatricians in Humboldt County, outlining the importance of education;
9. A public information plan will be created promoting the benefits of children

attending pre-schools; and,

10. The Parents Institute for Quality Education (PIQE) program will be expanded region-wide at elementary and middle schools.

Priority Area 3: All Children Succeed

Goal: Every 4th grade student will be achieving at grade level in math and/or reading/language arts

Activities

Data tracking tools to identify primary grade level students performing below grade level in math and/or reading/language arts will be developed.

Support Strategies for students, teachers, schools

1. Math and Reading/Language Arts resource specialists will be provided to schools and teachers requesting support;
2. An Americorps program providing for direct student support in primary grade Math/RLA will be developed;
3. The PLC professional development model training will be provided for interested schools;
4. A community volunteer support program for Math/RLA at the primary grade level will be developed: and,
5. Aligning after school resources with the regular school day to increase student achievement will be prioritized.

Goal: *Every student will graduate from high school*

Activities

1. Data tracking tools to identify 9th grade students falling behind in units toward a high school diploma will be developed; and,
2. A comprehensive intervention strategy to provide necessary support for students falling behind in units will be designed and implemented for grades 9-12.

A Decade of Difference – The 2020 Vision is divided into three phases. An initial 4 yr. commitment, Phase I, will be followed by two 3 yr. renewals (Phases 2 and 3) based on progress and achievement of objectives.

PHASE I – Building Capacity

The first four years (2010 – 2014), will be focused on increasing participation, coordination of existing resources, filling in gaps and direct implementation. The goal for Phase I will be 80% of school districts participating in all activity areas based upon locally identified priorities by the end of the 4th year.

During the first two years, 2010-2011, thirteen objectives will be accomplished addressing community engagement, the structure/framework, operational issues and oversight/monitoring/coordination for an initiative. Implementation of proven practices will begin immediately upon identification of their priority.

Community Engagement

1. Launch conversations in each community regarding the 2020 vision framework.
2. Identify community needs and opportunities for involvement.

Structure/Framework for Initiative

3. Design and confirm regional structure for operations
4. Identify achievement objectives for each activity area including interim and overall benchmarks
5. Design evaluation and research component

Operations

6. Assess current levels of participation and capacity within region
7. Implementation – build upon current levels of support for each activity area or begin activity implementation
8. Develop operational plans for each activity area
9. Begin coordination of existing programs/resources
10. Build community capacity and engagement
11. Secure additional resources for the Initiative activity areas

Oversight/Monitoring/Coordination

12. Engage the steering committee for the Initiative
13. Identify and engage the Initiative operations team members

PHASE 2 – Full Implementation

Full implementation during Phase 2 (2015-2017) with the goal of 90% of school districts participating in all activity areas. Phase 2 will also include progress reports towards goals and benchmarks.

PHASE 3 – Evaluation and New Strategy Development

Full implementation with 100% of school districts participating in all activity areas. Phase 3 (2018-2020) will also focus on evaluation and refinement targeting progress toward goals, confirming sustainability and new strategy development.

Initial Support and Commitment From
The Humboldt County Office of Education for Phase 1

Increasing academic achievement, graduation rates and continuing education rates in partnership with school districts, local businesses and communities on the North Coast to meet the workforce needs of North Coast employers has been identified as a major priority for the Humboldt County Office of Education. HCOE is prepared to commit the following resources and staff time to achieve stated objectives:

.5 FTE	Assistant Superintendent to provide overall coordination for the Initiative
.5 FTE	Coordination and support for Priority Area 3: All Children Succeed
1 FTE	Career Counselor serving middle and high schools
1 FTE	Senior level clerical support
\$30,000	Resource materials and career information
\$28,000	Math/Reading Language Arts Specialists
\$20,000	Parent involvement strategies
\$17,500	Youth Business Plan competition
\$14,300	Countywide K-12 career awareness and planning on-line tool

Estimated first year contribution is approximately \$400,000.

Additional 1st Year Needs

In order to accomplish the thirteen objectives for Years 1 & 2, the following initial needs have been identified:

- \$150,000 Engaging communities and developing partnerships to achieve objectives.
- \$230,000 support for Priority Area 1 – Developing Our Workforce activities. Need areas include innovation entrepreneurship activities (Junior Achievement and classroom based work experience) and internships, field trips to local businesses for K-8 students and overall coordination support.
- \$95,000 support for Priority Area 2 – Encouraging Children and Parent Involvement – Need areas include K-8 visits to HSU and CR, parent involvement strategies in K-8 schools and coordination support linking school, family and community resources.
- \$55,000 Support for Priority Area 3 – All Children Succeed – Need area includes resources to link 15 FTE Americorp members providing individual support to K-4 students behind grade level in Math and/or Reading/Language Arts.

Closing

We know what needs to be done to develop a ready, willing and capable workforce for North Coast employers. It will not be easy. It will take hard work, a laser focused set of proven strategies and the willingness to stay the course for the long term. With a level of commitment and dedication matching the importance of the work, it can be done.

Jan 11, 2010