



SA: Ready to Work

Financial Forecast and FY 2022 Proposed Budget

Early Childhood Education Municipal
Development Corporation

May 13, 2021



CITY OF SAN ANTONIO
**ECONOMIC DEVELOPMENT
DEPARTMENT**

Agenda

- **SA: Ready to Work Program Overview**
- **Financial Forecast Assumptions**
- **Ready to Work FY 2022 Proposed Budget**



SA: Ready to Work Program Overview

Governance

San Antonio Early Childhood Education Municipal Development Corp. (MDC) and City

City Responsibilities:

- Implementation - City Manager
- Oversight - City Council
- Fiscal Agent – similar to Pre-K for SA

MDC Responsibilities:

- Approve budget (recommended by City staff)
- Receives regular updates

- **MDC and City Council to approve amendments to bylaws**
 - Delineate early childhood education functions and add a separate section for workforce education functions

Guiding Principles



Focused Approach

A strategic program should seek to reduce poverty through targeted solutions for maximum impact.



Alignment

High-quality training and education, aligned with employer needs, drives long-term success. Today's and tomorrow's well-paid jobs require specialized preparation and knowledge.



Equity

A workforce program should consider benefits and burdens to historically underserved populations. Additional supports are necessary to afford all San Antonio residents opportunities to succeed, regardless of their current circumstances.



Collaboration

Through community collaboration and shared innovations, we can build a stronger and more inclusive workforce ecosystem.

Goals and Objectives

Goals

- Unemployed, underemployed, or underserved residents can access and complete the program
- Training and education align with current and anticipated high-demand, well-paid careers
- Participants secure high-demand, well-paid careers

Objectives

- Increase access to industry-recognized certification training and college
- Provide wraparound services and emergency funding to ensure success
- Increase collaboration within the workforce ecosystem
- Promote accountability and adaptability throughout process

Core Services



**Workforce
Training**



**Degree
Completion**



**Wraparound
Support**



**Emergency
Financial
Assistance**

Eligibility

- Resident of the City of San Antonio
- 18 years old at time of intake
- Eligible to work in the United States
- Previously employed
- Income <200% federal poverty guidelines (e.g., \$26,000/year for an individual)
- Willingness to take assessments relating to barriers, academics, skills, and workplace readiness
- Commit to complete program
- Target populations
 - Employment negatively affected by COVID-19
 - Earned a high school diploma or equivalent (HSE)
 - Historically underserved, including people of color, women, justice involved, and individual with disabilities

Recommended Target Occupations



Health



Information
Technology/Cybersecurity



Construction/Architecture/Utilities



Education



Aerospace/Manufacturing



Oil & Gas/Warehousing &
Transportation/Finance

- Align with Workforce Solutions Alamo target occupations and criteria
- Include jobs that pay at least \$15/hour, have entry points and opportunity for job growth
- Allow flexible approach to include additional occupations
- Review quarterly

Actions to Date

Voters Approved Ready to Work Initiative

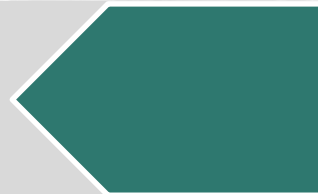
Stakeholder Meetings



City Council Pre-Solicitation Briefings



Economic and Workforce Development Meetings



RFP community conversations



Advisory Board



Public posting of draft RFP





Financial Forecast Assumptions

Financial Forecast Background

- Ready to Work initiative financial outlook based on certain assumptions
- Preliminary financial forecast presented in December
- Assumptions have been revised based on experience with Train for Jobs and discussions with Advisory Board
- Financial forecast updated based on these assumptions

Ready to Work – Financial Assumptions

Enrollment

Fiscal Year: July-June

Level of Training	FY 2022 ¹	FY 2023	FY 2024	FY 2025 ¹	FY 2026 ²	FY 2027 ²
Certificate	3,000	4,500	4,000	4,000	1,200	0
Associates ³	650	975	2,000	2,000	600	600
Bachelors ³	1,350	2,025	4,000	4,000	1,200	1,200
Total⁴	5,000	7,500	10,000	10,000	3,000	1,800

1. Program enrollment to begin late 2021 and continue through Dec. 2025

2. Continued support for participants enrolled before Dec. 2025

3. Class enrollment to begin in Spring 2022

4. Totals reflect duplicated participants

Ready to Work – Financial Assumptions

Other Assumptions



Intake/Assessment

\$397 per assessment
\$40 for testing

Wraparound Support

(including case
management)

\$1,300 average, per year
per participant

Tuition

Last dollar (annually)

Certificate: **\$2,100**
Associate: **\$2,200**
Bachelor: **\$4,100**

Emergency Assistance

\$500 per year

Financial Forecast – Ready to Work

(\$ in Millions)	FY 2021 ¹	FY 2022	FY 2023	FY 2024	FY 2025 ¹	FY 2026 ²	FY 2027 ²
Beginning Balance	\$0	\$9.8	\$26.6	\$30.0	\$19.7	\$10.0	\$11.6
Revenues	10.1	39.5	41.0	42.5	44.0	23.1	0
City Cost: Administration ³	\$0.1	\$1.5	\$1.5	\$1.6	\$1.6	\$1.4	\$0.9
State Sales Tax Admin Fee (2%)	0.2	0.8	0.8	0.8	0.9	0.5	0
City Cost: Support Programs	0	0.7	0.7	0.7	0.7	0.6	0
Intake & Assessment ⁴	0	2.2	2.6	3.5	3.6	1.1	0
Wrap Around Services ⁴	0	6.5	10.0	13.6	13.9	4.1	2.5
Tuition/Certifications ⁴	0	9.8	20.2	30.1	30.5	13.0	6.7
Emergency Financial Assistance ⁴	0	1.2	1.8	2.5	2.5	0.8	0.5
Total Expenses	\$0.3	\$22.7	\$37.6	\$52.8	\$53.7	\$21.5	\$10.6
Ending Balance	\$9.8	\$26.6	\$30.0	\$19.7	\$10.0	\$11.6	\$1.0

1. Program Enrollment: End of 2021-Dec. 2025

2. Continued support for participants enrolled prior to Dec. 2025

3. Total Administration is less than 5% of total expenses

4. Estimated contracted cost for Support Programs

Fiscal Year: July-June

FY 2022 Focus

Select partner agencies

Implementing data management platform

Develop framework for evaluating program

Plan for scaling up program in future years



Performance Metric	Participant Enrolled	Certificate Training	Bachelors or Associates
2022	5,000	3,000	2,000

Workforce Development Office

Personnel Complement – 11 positions

Administration
(3)

Fiscal (3)

Contract
Management
(4)

Evaluation and
Outreach (1)

Requests for Proposals

- RFPs for Marketing, Intake & Assessment, Case Management, and Program Evaluation
- Budget adjustments may be needed based on responses
- Changes would be proposed in September

May -
June

RFP Responses Received

June -
July

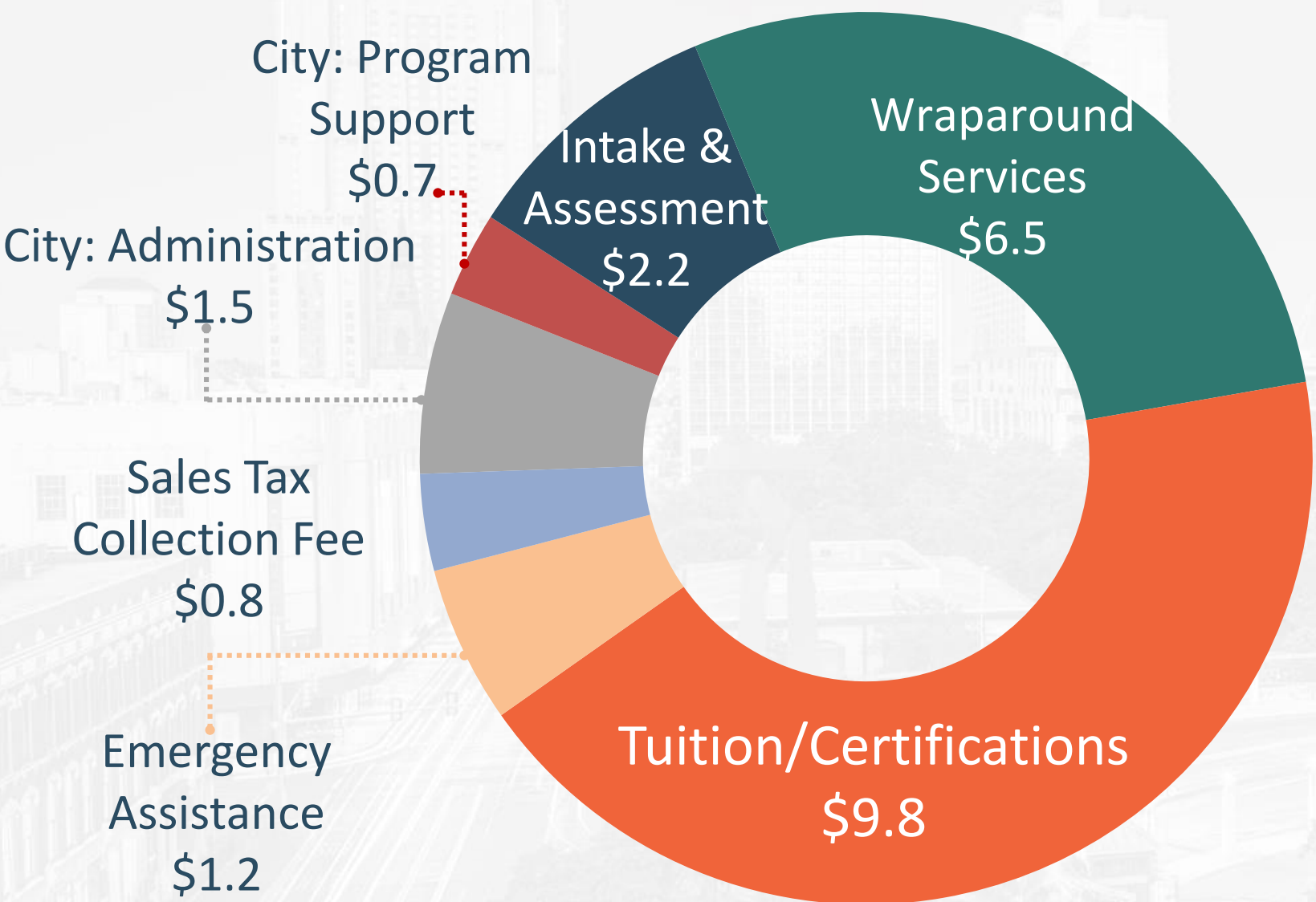
Proposal Evaluation

August
- Sept

City Council
Consideration

Proposed FY 2022 Budget - \$22.7 M

Ready to Work (\$ in Millions)



Authorized Positions	Count
Administration	7
Intake/Assessment	1
Wraparound Services	2
Tuition/Certifications	1
Total	11



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