# AGENDA MATERIAL DATES/1/24 ITEM NO. PA24



May 1, 2024

Pima County Board of Supervisors 33 N Stone Ave., 11th Floor Tucson, AZ 85701 Via Email to COB mail@pima.gov

Re: May 7th Board of Supervisors meeting agenda item no. 24

Dear Pima County Supervisors,

Over the past few weeks, members of the Pima County Board of Supervisors have asked for clarification of JobPath's operational and financial practices as they prepare the FY 2025 budget for Pima County. We appreciate the opportunity to put forth our programmatic and operational data to inform this process. We look forward to partnering with the Pima County Administrator and the Pima County Board of Supervisors to ensure that JobPath's vital role in our community continues unimpaired. We also understand the concern of duplication of services with other County-related entities and hope to address these concerns. The following memorandum contains information following up on multiple conversations, County memoranda, and Board of Supervisors meetings. We welcome your questions and look forward to continued partnership and engagement with Pima County to build a strong and productive workforce.

#### About JobPath

Founded in 1998 by devoted community members, JobPath is a workforce development and advocacy agency that helps adult students succeed in high-wage, in-demand associate's degree and certificate programs. We do this by providing highly individualized support services and financial assistance to our students. Our mission is to improve the economic status of underserved adults by removing barriers to educational achievement so that they can lead healthier and more prosperous lives.

#### American Rescue Plan Act Funding & the GMI Report

Responsible stewardship of public dollars is of utmost importance to JobPath, our Board of Directors, and our Executive Team. Throughout our quarter-century partnership with Pima County, we've always been able and willing to meet programmatic and financial reporting requirements from Pima County. We continue to hold to this commitment.

As you are aware, in June 2021 the Pima County Board of Supervisors approved a one-time, 3-year, \$3 million investment from the American Rescue Plan Act (ARPA) funds to JobPath in addition to our ongoing General Fund relationship. Nearly a year later, in April 2022, JobPath and Grants Management and Innovation (GMI) met to review the contract and reporting requirements for ARPA funding. In a follow-up communication provided by GMI on April 26, 2022, JobPath received the following guidance:

"GMI RA staff will operate within the parameters of JobPath's current and future contract associated to ARPA CSLFRF when discussing key performance measures, and only modify upon the mutual agreement of both entities. The contract specifies sufficient indicators to meet or exceed the U.S. Treasury's expectations. Furthermore, GMI RA will work with JobPath to ensure non-duplication of reporting efforts across County funded projects, whenever possible."

After that communication, JobPath and GMI continued to meet regularly and share data and reports regarding programmatic outcomes.

In August 2023, JobPath began seeing delays in payments of ARPA contracted funds. In response to our inquiries, GMI set up a meeting with the JobPath team on October 3, 2023. During this meeting, we were alerted to a change in expectations of reimbursements that was retroactively enforced back to at least April 2023. These changes included:

- Exclusion or limitation of federally allowable expenses such as rent, utilities, vehicle
  payments and insurance, groceries, and mortgage payments, which taken together
  represent over 60% of the funds JobPath pays out to students;
- 2. Removal of non-Pima County residents from reimbursements (there was a learning curve to separating out students from surrounding counties after our expansion);
- 3. Correction of billed vs. actual tuition expenses when accounting for scholarships (these errors were discovered by JobPath).

We enacted several changes at various levels of the organization (at intake, in finance, and in reporting) to ensure that only incurred, qualified, adequately backed-up expenses are reimbursed, both throughout the organization and using Pima County ARPA funds in particular. Our staff continues working with GMI to ensure compliance on these matters.

We complied with these changes, but due to the retroactive nature of the guidance, we incurred findings from GMI in a report published on March 12, 2024. By the time of publication of the report, many of the findings had already been addressed by JobPath staff, including:

- 1. Issues with timesheets
- 2. Procurement issues
- 3. Cost allowability
- 4. Eligibility non-compliance
- 5. Performance non-compliance

Expenses deemed unallowable under the ARPA funds contract have been shifted to our General Fund contract with Pima County, ensuring appropriate use of public funds. During this process, we've appreciated the County's frankness and understanding. Of course, JobPath needed the necessary and appropriate time to comply with the retroactively enforced contract requirements, which we were, and are, more than willing to do. Changing reporting processes in the middle of a funding period is never easy. For this, we greatly appreciate the County's patience and assistance in ensuring our compliance with federal and local funding guidelines.

Unfortunately, the items that were deemed unallowable in FY 2022 can no longer be moved to another funding source, resulting in JobPath incurring a loss of \$15,903.30. We are grateful to the generous donors and community partners who make it possible for us to maintain our operations. We continue to be committed to excellence in stewardship of public funding. We welcome the County's feedback in this area and strive to continue to maintain compliance with GMI standards.

### Sustainability Planning

Over the past 25 years, we've been extremely grateful for Pima County's continued investment in JobPath's efforts to strengthen our workforce and economy. Per the guidance of the Pima County Board of Supervisors, we have worked diligently over the past three years to diversify our funding streams while simultaneously serving the community and addressing the needs of our students during the COVID-19 pandemic. JobPath's Development Director, Christine Hill's, job is to pursue funding opportunities from community donors and private foundations, etc. to support the organization. Christine brings over a decade of experience in fundraising and fund development to our organization.

Knowing ARPA funding had an expiration date, the JobPath team doubled down on its efforts to diversify its funding sources. This has included increasing grant applications and building relationships to also increase individual giving and corporate sponsorships. In doing so, we've been careful to only apply for new funding where we have the capacity to operationalize the funding if awarded.

Since fiscal year 2021, JobPath successfully met its goal for a Connie Hillman Family Foundation "challenge grant" and received \$230,000. The following year, JobPath was awarded a two-year, \$422,000 grant from the ECMC Foundation to expand into Cochise County, and also received State ARPA funding to further the expansion in Cochise County as well as Santa Cruz and Pinal counties. In fiscal year 2022, JobPath received \$500,000 in Congressional appropriations funding, generously sponsored by Congressman Raul Grijalva, through the Department of Education. Lastly, in May 2023, JobPath received over \$200,000 from the Arizona's Office of Economic Opportunity (OEO).

In addition to grant funding, JobPath has also begun a corporate investment program. In fiscal year 2022, Ascent Aviation invested \$25,000 to support aviation technology students. Most recently, Bayada Home Health made a significant \$375,000 gift to cover tuition and other expenses for "at least 15" nursing students enrolled with JobPath. Bayada and JobPath have cultivated a close working relationship with job fairs, and connecting healthcare students to

opportunities outside of the hospital setting. Cultivating new individual donors and corporate sponsors is a priority for JobPath's new five-year strategic plan currently being developed with the help of local consultants Alexander|Carrillo Consulting. Efforts to diversify funding post-ARPA are an ongoing endeavor, and JobPath recognizes that our partnership with Pima County is the cornerstone for building sustainability for our organization and the students we serve.

#### **Avoiding Duplication of Services**

We respect and appreciate the role that Pima County One Stop (PCOS) plays in enhancing the economic opportunities for our community members, businesses, and educational institutions. PCOS is a critical ally and partner in the work we do, and we appreciate their commitment to creating a vibrant workforce. Although our work at JobPath is similar to that of PCOS, there are key differences that illustrate that service duplication is not occurring - allowing both of our organizations to serve a vast array of Pima County's future workforce.

#### JobPath 1 6 1

Our goals at JobPath include ensuring:

- 1. Students have the support they need so that they can complete their program of study, pass their certification exams, and find employment in their chosen field earning a family-sustaining income within 6 months of program completion.
- 2. Participants gain the skill sets needed to succeed in the workplace and access career and economic mobility.
- 3. Participants feel welcomed in a supportive environment where they are provided resources, are supported in problem-solving, and receive a warm handoff to partners.

#### Pima County One Stop

Though we cannot speak for PCOS, our continued partnership and transparent relationship with the organization gives us key insights into their goals. We are supportive of PCOS's goals, which seem to include:

- Partnering with ARIZONA@WORK to help employers of all sizes and types recruit, develop, and retain the best employees for their needs.
- Partnering with ARIZONA@WORK to provide locally tailored recruitment, training, and retention solutions for employers, alongside comprehensive workforce readiness services to help job seekers enhance their employability and secure employment opportunities.
- Connecting individuals, families, neighborhoods, businesses, and community
  organizations to a network of resources, supports, and services essential for learning,
  working, living, and thriving in Pima County.

#### **Similarities**

JobPath and PCOS are robust collaborators that support Pima County residents in their pursuit of economic opportunity and educational attainment. Both organizations provide financial support, case management, referrals to address unmet needs, and soft skills training. Both PCOS and JobPath also connect jobseekers with potential employment opportunities, perform outreach activities, and engage with the community at events. There is also considerable

overlap in the communities both organizations support, including participants who are low-income, under-resourced, and pursuing a certification or degree in high-demand fields.

#### **Differences**

Though our efforts are similar, there are key differences that help JobPath serve Pima County in ways that PCOS does not, and vice versa. Perhaps the biggest difference between PCOS and JobPath is that JobPath's resources are focused on supporting students seeking jobs that are exclusively in demand, well-paying, and that lead to a sustainable career. We know students have many employment opportunities, but we also believe that building a long-lasting sustainable career is critical to their long-term success, and the well-being of their children. Specifically, we currently focus on the following workforce sectors that are experiencing shortages in Pima County:

- Health Care
- Computer Science
- Manufacturing (including aviation technology)
- Building and Construction

Another key difference between PCOS and JobPath is our availability, including hours of operation and service locations. PCOS provides valuable services to our community between 8 AM - 5 PM Monday through Friday at various locations. Our students struggle to balance their time between going to school, taking care of a young family, and/or working. To ensure we are meeting our students' needs, our staff is available to meet students after regular business hours and on weekends. Furthermore, our students often don't have reliable transportation - making mobility to different parts of Tucson difficult. We meet with students where they are to ensure equitable access to support services.

A benefit to nongovernmental service-providing organizations such as JobPath is the reduced administrative burden, including enrollment and service provision turn-around times. Because of PCOS's broad service offerings and large number of individuals served, it can often take up to a month to process student requests, whereas JobPath takes no longer than 10 days.

Our differences are not just operational, but also philosophical. A major example of these differences can be seen when comparing a Case Manager at PCOS and a Student Success Coach at JobPath:

	Case Manager (PCOS)	Student Success Coach (JobPath)
Focus and Scope of Services	Typically operates within a more traditional, problem-oriented framework. Case managers are often tasked with addressing specific barriers to a student's success, such as financial issues, personal crises, or academic difficulties. They are focused on	Taking a more holistic approach, Student Success Coaches aim to build ongoing relationships with their students, focusing on immediate academic performance, and long-term personal and professional development. Student Success Coaches focus on proactive

	interventions that are often reactive, stepping in when a student is identified as struggling or at-risk.	engagement, with an emphasis on empowering students to achieve their full potential through mentorship, goal- setting, and skill development.
Engagement Style	Engagement is often driven by need or crisis, with interactions being more sporadic or initiated due to specific challenges that require resolution. The interaction may be bureaucratic, focusing on navigating systems and resources.	Establishes a continuous developmental relationship with students. Coaches frequently check in with their students, offer regular feedback, and can be actively involved in their students' academic and extracurricular lives.
Caseloads	120-200 students per case manager.	Up to 80 students per student success coach.

These differences highlight how specialization can have a positive impact on the community. We believe that both organizations' operations are critical to supporting a healthy workforce and economy in Pima County. Importantly, some members of our marginalized and underserved communities express distrust of government programs due to historic, systemic disenfranchisement. Offering multiple entry points to services is crucial for ensuring individuals receive the support they need in an accessible, timely manner. The combination of flexibility and choice can significantly reduce barriers to access, ensuring that individuals can receive help when needed most suitably and conveniently. Having a non-governmental partner organization engaging these populations benefits all of Pima County - gaining the trust of our community while advancing our shared missions.

#### Conclusion

We greatly appreciate the inquiry from the Pima County Board of Supervisors into JobPath's financial and programmatic operations. As quality community partners, we appreciate the dedication of the Board of Supervisors to ensuring that public funding is put to efficient and good use in our community. I have attached the document answering questions posed by Chair Grijalva and Supervisor Lee and referenced at the April 16th meeting. Should you have any questions about how JobPath continues to partner with Pima County, please do not hesitate to let me know.

Sincerely,

Ana Greif, Ed.D.

**CEO** 

JobPath, Inc.



April 16, 2024

Dear Chair Grijalva and Supervisor Lee,

Thank you for your time in meeting with us on April 3rd. We appreciate your willingness to learn more about the work JobPath does. I personally welcome your questions so that you can have a deeper understanding of our student's needs and how we address them. To that effect, please see below our responses to the questions you provided us during our April 3rd meeting. If you need any clarification or have follow-up questions, please do not hesitate to contact me.

To provide additional context to the questions, it would be helpful to explain how we determine student financial plans each fiscal year. At the start of each fiscal year, JobPath sets a funding model based on the amount of funding expected that year. Coaches then work with their assigned students to determine an individual financial plan for that year based on several factors that include:

- The student's income level (low, very low, and extremely low according to HUD quidelines);
- Their program of study, accounting for variances in cost and differential tuition;
- The number of months left in the academic year, prorating quarterly.

Once a student has a financial plan, they draw on those funds as needed. JobPath's model is centered on self-determination, so participants decide how and when they utilize their funding. Some students utilize most of it right away on start of semester expenses, others hold off as long as possible before requesting funds, and many don't use their entire financial plan in an academic year.

1) Please Show me documentation of how JobPath assesses student needs and uses the findings to develop an individualized plan and what that plan looks like beyond an accounting of the students financial wherewithal. Please provide written examples.

In the current fiscal year 23/24, the methodology JobPath uses to assess the student's needs and determine their individual Financial Plan is as follows:

• Income - verified by paystubs, most recent tax forms, and or bank statements;

Academic Program (Each supported academic program has a set determined flat fee
that a participant receives each fiscal year as set by organizational leadership).

In past fiscal years, these criteria also included a flat fee for the head of household and a flat fee for DACA recipients (when we have DACA funds).

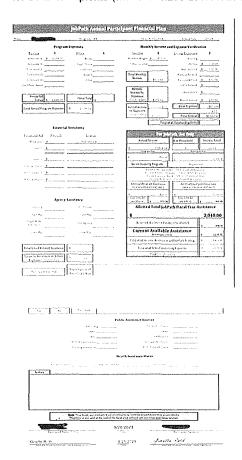


Figure 1

In the example in Figure 1 (actual enrolled student, name redacted), the student makes \$11,424 per year and received \$1200 "Emergent Expense" based on our 23/24 Federal HUD guidelines (Figure 2).

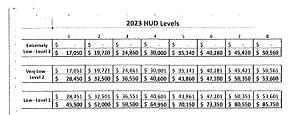


Figure 2

The student also received an \$840 Program Expense, which, combined with the Emergent Expense, gives the student \$2040 in their Financial Plan to spend/reimburse during this fiscal year (indicated in the green highlight in Figure 1).

Beyond financial needs, the student's assigned Student Success Coach facilitates an in-depth intake interview where they build relational rapport and dig deeper into the student's current home, family, housing, transportation, and technology circumstances.

The Success Coach often refers the student to existing grants and scholarships the student may qualify for, as well as additional social services such as housing, emergency assistance, childcare, health insurance, mental health services, domestic violence services, etc.

Participants and Success Coaches check in monthly to foster the relationship and so coaches can continually assess their needs. Student Success Coaches can immediately respond with internal resources such as diapers, menstrual products, school supplies, and, if needed, a refurbished laptop provided by essential community partners

2) Are there any reasons that a student's debt-to-income ratio would make them ineligible for the program because it would be unlikely that even with JobPath's help the student could complete their academic plan

Debt to income does not factor into eligibility. Our data shows that a student's income level is not a predictor of academic success as long as they get the support they need. Because of this, we only consider income as an eligibility threshold (according to Federal HUD guidelines) in calculating the student's financial plan.

3) Please show how JobPath maintains separate accounting strings for each of its funding streams, how it is determined which funding stream to invoice for a specific student or service, and how those accounts are kept separate.

JobPath is audited annually by Keegan Linscott & Associates, PC. Maintaining separate accounting for each funding stream is an accounting requirement that is verified both by our financial audit and the Single audit (required for federal funding). Both most recent audits are attached.

Each financial transaction at JobPath is entered, and its corresponding documentation uploaded, into an online approval system called ApprovalMax. This system requires several levels of approval to pass through to QuickBooks, where it is then paid.

In the process of entering the transactions into ApprovalMax, each expense must be assigned to a specific funding stream - whether that be Pima County, Pima County ARPA, City of Tucson, foundation grants, etc. That designation follows it into the accounting system. When individual funding streams are invoiced on a monthly or quarterly basis, a report is generated directly from the accounting system isolating just the expenses allocated to the specific funding streams. That report, along with the specific details required by each individual funding stream, is then sent along to the funder. In addition to funder monitoring, one of the items evaluated by our external auditor is the agreement between expenses and income associated with its different funding streams such that the net income is \$0. This ensures that each transaction is only entered into the system once and, therefore, cannot be charged to more than one funding source.

A variety of factors are evaluated to determine which funding stream is billed for specific students and expenses. On a general basis, students are "assigned" to specific funding streams depending on certain criteria, such as their place of residence (i.e., Cochise County residents are not funded by Pima County resources). Additional refinement must be made depending on the type of service that is being provided or reimbursed; some funders are more restrictive with the types of services they will reimburse than others.

## 4) How can JobPath clean up their backup documentation to easily track against the request for payment

JobPath staff has been actively working with Pima County's Grants Management and Innovation team to come to a shared understanding of standard and permissible forms of backup documentation on its Pima County ARPA grant. The best practices developed here will be instrumental in improving the processes and procedures for the entire organization, for all funding streams. Additionally, after experimenting with three different processes to document staff time in FY23, a consistent and reliable payroll tracking system has been implemented and used without incident for all of FY24 to date. The JobPath team looks forward to future audits and grant monitoring visits, both to demonstrate consistent progress and to continue refining its processes and procedures.

## 5) Please show evidence of how JobPath tracks the available and remaining funding for each student

JobPath tracks available funds using Apricot, a 3rd party software specifically designed for client management. Success Coaches review students' income level and program of study during enrollment. Coaches will then complete a financial plan and enter the participant's program and emergent expenses into the participant's Apricot profile. When a participant makes a financial

4

request, the coach collects the appropriate documentation and processes the request through AprovalMax. Once finance has approved and processed the expense, JobPath's office assistant uploads the approved expense into Apricot and the request total is deducted from the student financial plan. Figure 3 shows a sample participant file. The first two boxes show the Allocations for both program and emergent expenses. Further down, the total allocation and remaining funds (\$0 in this instance) are shown.

Program Related Expenses Allotment 🔾	1
5672 00	
Emergent Expenses Allotment 🖓	1
\$960 00	
Additional Allotted Funds (i.e. coaches fund) 🔾	
,3000	
Additional funds description(s)	
flores.	
	1
JobPath Annual Financial Plan Allotments Total	
1632	
Fiscal Year Amount Spent	
1632	
Current Fiscal Year Assistance Balance	
[0]	
Voucher Total	
106	
Expense Total 🖨	
1632	

Figure 3

6)Please explain to me how a student could receive more funding in one year than is documented on their financial plan and how the documentation of the decision making and approval process for emergency funds distribution.

JobPath has an emergency fund for cases where students face an unexpected emergency and don't have the funds in their financial plan to address it. Coaches evaluate each request according to the emergency fund SOP (described below). The request must be for an unanticipated or unusual expense that may hinder the student's academic progress. Each case is considered on its own merits, but the student must have the appropriate documentation for the expense that must have been incurred while the participant is enrolled in the program and will not be considered if it's for a previous or future academic year. Emergency funds are not intended for recurring expenses, or tuition or course fees; and cannot be used to fill a funding gap that has been created when a student has used all of their funds. Emergency funds are expected to be used once for a situation that might derail a student's academic performance.

The review process is as follows: the assigned coach will review the student's financial plan, expense history, academic record, and any relevant information and provide this in a narrative to the coaching team, including the student success manager, via email. If additional information is required, the assigned coach will contact the student. All coaches must state their decision and rationale in the same email thread. The coaching team must reach a consensus for approval of emergency funds since their use reduces the overall emergency fund availability for all students. If consensus cannot be achieved, the student is not funded, and that final decision will come from the student success manager. If the coaching team determines the student is not eligible for emergency funds, pertinent resources will be provided to the student. Participants are only eligible for emergency assistance if they've already fully spent down their financial plan allocation.

7) It appears that some students receive thousands of dollars of support and others do not. It also appears that some students request and receive "emergency" support and others do not. Please show how JobPath ensures service equity across all students

How much money and how it is allocated is set by JobPath at the start of the fiscal year. In the last few years, due to Covid related increased need and availability of CARES and ARPA funding, students were eligible for more funds than in the past. Additional funds were disbursed based on student circumstances, such as being a head of household or a single parent. Not all students need or utilize their entire financial plan, yet others do, leading to differences in funding levels.

Coaches advise students of the emergency funds at intake and communicate the process and funding requirements. If a participant encounters a qualifying event, they submit a request to their coach. Funding is provided on a first-come, first-served basis. Emergency funds are not widely used; however, during Covid when CARES Act funding became available after the setting of the year's financial plans, the funding was distributed on top of existing financial plans. This fiscal year the variance from student to student will be much narrower.

8) Please explain how you determine JobPath's success rate and show me the documentation such as transcripts, diplomas, or certifications used to determine JobPath's success rate.

JobPath defines participant success by their program completion and employment in their field of study. None of our current funders require us to collect documentation from schools on students' completion, instead, we rely on attestation from the students themselves to identify both their program and employment outcomes. Students only need to provide proof of enrollment to qualify for financial support.

For a student to be employed, especially those in healthcare which are around 70% of our participants, they have to obtain a license. And, to register to take the licensing test, students must provide proof of completion of the program to the licensor. When needed, we can verify they obtained their license by looking them up through the profession's licensing systems (i.e.

AZ State Board of Nursing, AZ State Board of Dental Examiners, The American Registry for Radiologic Technologists, Federal Aviation Administration).

JobPath created the Workforce Readiness program to assist students with career readiness. Students engage with the Workforce Readiness coaches throughout their time at JobPath. Engagement with the workforce program includes soft-skills workshops, interview prep and resume development, tours of industry facilities, and career exploration. Additionally, once students have completed their educational program, the Workforce Readiness team supports activities such as certification exam prep, finding employment, and educating participants about benefits packages and salary negotiations. This team is in constant contact with graduates, and so far have never come across an instance where a student has been untruthful about completing their program. The Workforce Readiness team also engages directly with employers, advocates for participants, and helps educate the community about career opportunities in the County's priority industries.

Jobpath determines our success rates in multiple ways. We calculate our persistence rate by dividing the number of program dropouts from the total number served. Currently, JobPath has 584 participants enrolled in Pima County, so far this year 53 participants have dropped out (shown as a withdrawal in our reports), which means we have a 9% attrition rate and 93% persistence rate at this time. Note that our attrition rate has increased as a result of adding IBEST students to those eligible for support. Unfortunately, after a two-year-long pilot, we have found that IBEST students often complete their program of study but do not attain their HS equivalency, and therefore cannot access the higher-paying jobs that we consider a successful outcome.

Our employment rates are calculated based on students self-reporting their employment since we do not have access to unemployment insurance (UI) data as is done in other states, and privacy laws limit employers from sharing personally identifiable information with us.

Since the pandemic, we have worked diligently to update JobPath processes and policies to better serve our students and increase transparency. Additionally, we are under much higher scrutiny than ever before due to our having to undergo an annual Single audit. We are happy to discuss any other questions you may have about our processes and look forward to continuing our productive and beneficial partnership.

Sincerely.

Ana Greif, Ed.D.

CEO

JobPath, Inc.