

State of California

Herida Richago September Spansy
Labor and Workforce Development Agency

August 28, 2002 REFER TO: 69-1:112:cs:6140

Ms. Kristin S. Cornuelle, Manager County of San Mateo Workforce Investment Board 400 Harbor Boulevard, Bldg. B Belmont, CA 94002

Dear Ms. Cornuelle:

This letter confirms that the State of California has awarded \$2,538,390 from its dislocated worker funds (as identified in section 134[a][2][A][ii] of the Workforce Investment Act) to allow San Mateo County to assist dislocated workers laid-off from employment in the airline and other affected industries.

The first increment of funding (\$1,461,268) is available as of October 1, 2001.

Members of my staff contacted you and others to discuss your project plan and to provide information about another State-funded program that will serve laid-off airline workers. I would like to take this opportunity to express my appreciation for your commitment to implement your project in close cooperation with your partners in neighboring Local Workforce Investment Areas and to coordinate your efforts with other sources of funding such as the IAM CARES Project.

I foresee a very successful project that will provide much-needed assistance to help laid-off airline workers return to work or qualify for alternative employment.

If you have questions about this letter please contact Mr. Steve Saxton, manager of our Program Section, at (916) 654-6425.

Sincerely,

BOB/HERMSMEIER

Acting Chief

Workforce Investment Division

cc: Steve Saxton

EXHIBIT COVER SHEET

SUBGRANT NO: R380535 MODIFICATION NO: 02 EXHIBIT FF Page 1 OF 1

SUBGRANTEE: SAN MATEO COUNTY

FUNDING SOURCE: WIA 25% DW PLANT CLOSURE 537

TERM OF THESE FUNDS: 10/02/2002 TO: 09/30/2003

Use of funds added by this modification is limited to this period and additionally limited by the recapture provisions applicable to this funding source. The state may at its discretion recapture funds obligated under this exhibit, if expenditure plans are not being met.

PROGRAM NARRATIVE

The purpose of modification # 2 to this PY 2002/2003 subgrant agreement is to add WIA 25% Rapid Response funding in the amount of \$900,000 into grant code 537.

These funds will allow San Mateo County WIB to build staffing capacity to provide intensive services and retraining for displaced workers entering career ladder pathways in high-growth industries such as biotechnology and healthcare. The additional capacity will also enable the building of effective relationships with businesses in these industries to provide placement opportunities following training.

| This exhibit adds to and does not replace the terms and conditions of any other exhibit | included in this agreement which terms and conditions remain in full force and effect. |