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Next EDC Resolution Number SPEDC2026-027



SAN PABLO EDC
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SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING AGENDA

Board of Directors

Genoveva Garcia Calloway, Chair
Saman Farid, Vice Chair (remote, Brown Act)
Kanwar Singh, Treasurer
Stephen Baiter, Director
Arturo Cruz, Director

WEDNESDAY, October 28, 2026 6:00 PM

Brown Act location: 1521 Brookside Dr., San Pablo, CA 94806

<https://us02web.zoom.us/j/89422902900?pwd=6UP8SLdiTSmm2yliszK2tX6XbyTkYd.1>

Copies of this agenda and non-exempt public records relating to an open session item on this agenda will be available upon request to saeidb@sanpabloedc.org. The agenda may also be viewed at www.SanPabloEDC.org.

CALL SESSION TO ORDER/ PLEDGE OF ALLEGIANCE/ ROLL CALL

PUBLIC COMMENTS: The public is encouraged to address the San Pablo EDC Board on any matter listed on the agenda or any other matter within its jurisdiction subject to the rules of decorum to be described and acted on by the Board. If you wish to address the Board, please email saeidb@sanpabloedc.org with "Speaker Form" in the subject line. The Board will hear public comments on items listed on the agenda during discussion of the matter and prior to a vote.

EXECUTIVE DIRECTOR REMARKS

CONSENT AGENDA

All matters listed in the Consent Agenda section will be considered routine by the Board and will be enacted by one motion. The disposition of the item is indicated. There will be no separate discussion of these items. If discussion is requested, that item will be removed from the section entitled Consent Agenda and will be considered separately.

CONSENT AGENDA (2 items)

1. Minutes of the September 16, 2026 regular meeting (pages 3-5)
Recommendation: Approve
2. San Pablo EDC FY25-26 Financial Statements ending September 30, 2026 (pages 6-13)
Recommendation: Receive and file

*** * * END OF CONSENT AGENDA * * ***

REGULAR AGENDA – ITEMS FOR DISCUSSION

1. Audited Financial Statements, Reports and Tax Filing for Tax Year 2026 (pages 14-47)

Recommendation: Receive and file

2. Resolution authorizing execution of the fiscal year 2026-27 Subrecipient Contract for \$129,700 with Rubicon Programs for delivery of WIOA AJCC workforce services under the Contra Costa Workforce Collaborative with Rubicon Programs (pages 48-61)

Recommendation: Approve

ADJOURNMENT

Adjourn to next regular meeting scheduled for **Wednesday, November 18, 2026**, at 6:00 PM.

**MINUTES OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF
DIRECTORS REGULAR MEETING**

WEDNESDAY, SEPTEMBER 16, 2026

ROLL CALL

The closed session of the Board of Directors (Board) meeting was called to order at 6:00 PM in the San Pablo Economic Development Corporation (San Pablo EDC) Offices at 1000 Gateway Avenue, First Floor, San Pablo, California. Present in-person were Chair Genoveva Calloway and Director Arturo Cruz; under Brown Act provisions, Treasurer Kanwar Singh and Vice Chair Saman Farid joined via conference call. Director Stephen Baiter had an excused absence. Also present were Executive Director Leslay Choy and Board Secretary Saeid Babay Hosseini.

Closed session – ITEMS FOR DISCUSSION

1. Governance Committee Discussion regarding Executive Director Performance Review Process

Recommendation: Receive and file

The Governance Committee recommended forming an ad hoc sub-committee of Chair Calloway and Treasurer Singh to review Executive Director performance and report out to the Board.

Closed session was concluded at 6:06 PM.

Regular session was opened at 6:06 PM.

PUBLIC COMMENTS

There were no public comments.

EXECUTIVE DIRECTOR REMARKS

Executive Director Choy provided updates on the CWA Meeting of the Minds, highlighting discussions on apprenticeships and the integration of Artificial Intelligence. She also mentioned the Fiestas Patrias Parade tabling event and September 17th homebuyer education event on building credit and purchasing a home hosted by EDC at Mountain Mike's Pizza and the October 1st Careers in the Trades Day. She invited the Board to tune into San Pablo EDC's presentation to City Council on September 21st. Finally, she let the Board know she would be representing the Workforce Development Board of Contra Costa County at the National Association of Workforce Boards in Washington DC the week of September 27th.

CONSENT AGENDA

1. Minutes of the July 15, 2026 regular meeting
Recommendation: Approve
2. San Pablo EDC FY26-27 Financial Statements ending July 31, 2026
Recommendation: Receive and file

3. Resolution authorizing continued support of the San Pablo Forward Scholarship at Contra Costa College Foundation and ratifying fiscal year 2026-2027 budget expense of \$5,000

Recommendation: Approve

It was moved by Treasurer Singh, seconded by Director Cruz, and passed by a vote of those present to adopt the items on the Consent Agenda. The motion passed as follows:

AYES: Calloway, Cruz, Farid, Singh
NOES: None
ABSTAIN: None
ABSENT: Baiter

REGULAR AGENDA

Resolution authorizing joining the Oakland Roots Community Champions Program

Executive Director Choy introduced the item and explained the proposed partnership with Oakland Roots through its Community Champions Program, which would allow San Pablo EDC to support community engagement while generating modest fundraising revenue through ticket sales. Following board discussion, it was moved by Director Cruz, seconded by Chair Calloway and passed by a vote of those present to adopt **RESOLUTION SPEDC2026-024**, a resolution to authorize joining the Oakland Roots Community Champions Program.

AYES: Calloway, Cruz, Farid, Singh
NOES: None
ABSTAIN: None
ABSENT: Baiter

Resolution authorizing issuance for Request for Proposal 2026-EDC02 for path of travel parking lot compliance updates and Request for Proposal 2026-EDC03 for installation of a rooftop HVAC enclosure at 14501 San Pablo Avenue (Mission Plaza)

Executive Director Choy introduced the item and explained the need to issue two RFPs for Mission Plaza to complete required parking lot accessibility updates and rooftop HVAC screening. She noted the work is needed to satisfy city requirements for final certificate of occupancy approval. Following board discussion, it was moved by Treasurer Singh, seconded by Chair Calloway and passed by a vote of those present to adopt **RESOLUTION SPEDC2026-025**, a resolution to authorize issuance of Request for Proposal 2026-EDC02 for path of travel parking lot compliance updates and Request for Proposal 2026-EDC03 for installation of a rooftop HVAC enclosure at 14501 San Pablo Avenue (Mission Plaza).

AYES: Calloway, Cruz, Farid, Singh
NOES: None
ABSTAIN: None
ABSENT: Baiter

Resolution retroactively authorizing execution of legal representation agreement for employment law services with Fairgrieve Law Office and \$3,500 retainer

Executive Director Choy introduced the item and noted the need for retroactive approval of an employment law services agreement with Fairgrieve Law Office due to a time-sensitive staff

matter. Following board discussion, it was moved by Director Cruz, seconded by Vice Chair Farid and passed by a vote of those present to adopt **RESOLUTION SPEDC2026-026**, a resolution to Retroactively authorize execution of legal representation agreement for employment law services with Fairgrieve Law Office and \$3,500 retainer.

AYES: Calloway, Cruz, Farid, Singh

NOES: None

ABSTAIN: None

ABSENT: Baiter

ADJOURNMENT

It was moved by Director Cruz and seconded by Chair Calloway to adjourn the meeting at 6:33 PM to the next regular meeting scheduled for **Wednesday, October 21, 2026** at 6:00 PM.

Respectfully submitted,

Saeid Babay Hosseini, Board Secretary

Genoveva Calloway, Chair

SAN PABLO EDC BOARD REPORT



DATE: October 21, 2026

TO: San Pablo EDC Board

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FROM: Leslay Choy, Executive Director
Bradley Ward, Controller

SUBJECT: SAN PABLO ECONOMIC DEVELOPMENT CORPORATION FISCAL YEAR 2026-27 FINANCIAL STATEMENTS THROUGH SEPTEMBER 2026

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Receive and file report.

BACKGROUND

As part of its ongoing fiduciary oversight, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) reviews the organization's financial reports. These reports are received and reviewed in advance by Board Treasurer and Finance Committee Chair, Kanwar Singh. Financials compare year-to-date expenses to annual budget in a format recommended by Treasurer Singh, which the Board is asked to review. As this is the first report of the year, the financial picture is limited; however, there is important forecast information included in the third section of this report.

ANALYSIS OF FINANCIAL REPORTS

Attached is a set of financial reports through September 2026. The lead item is the balance sheet, which shows the organization's financial position as of September 30, 2026. The September balance sheet reflects assets of \$5,015,601, liabilities of \$2,023,693 and equity of \$2,991,907. For any professional agreement where San Pablo EDC receives the lump sum up front, Account 25800 is used for the unearned portion of the agreement, and changes the month-over-month liabilities, reducing as the year advances.

The second section of the report is the year-to-date profit and loss (P&L) statement through September 30, 2026 with comparison to budget. The P&L statements are presented as a summary of the Total Budget for Operations, Measure S and Total Grants. The first column represents year-to-date (YTD) revenue and expenses by budget item; second column represents total budget; third column represents year-to-date variance to budget. EDC recognizes income on an accrual basis.

The first part of the Total P&L statement is revenue (income). Total income through September is \$319,514, representing 19.73% of budgeted income with 25% of the fiscal year complete. This number has significant lag due to the lack of executed contract for Dislocated Oil & Gas Worker Funds (DOGWF), which means San Pablo EDC fronts the expenses and has been unable to submit for reimbursement.

The second part of the P&L, which includes other expenses less depreciation, represents expenses, the bulk of which are 62100 Contract Services, 65000 Operations and 66000 Payroll. YTD expenses were \$361,849 or 21% of the annual budget.

Monthly non-cash depreciation of \$3,739 (year-to-date \$7,479) for the EDC's commercial building asset, Mission Plaza, is accounted for as "other expense" in account 70100, as it does not affect operations. By classifying it this way, the EDC separates operations and cash usage from non-cash activity. This is referred to as EBITDA or earnings before interest, taxes, depreciation and amortization.

FORECAST INFORMATION

There are four events impacting San Pablo EDC for which the Board should be aware will require budget adjustments. These adjustments will be drafted and presented to the Finance Committee, and then brought to the Board.

First, while the Board is aware San Pablo EDC changed brokers and healthcare coverage (now HealthNet of California) last fiscal year to realize savings over the proposed increase. On September 1, NPR shared on its program, *Marketplace*, that the health insurance industry has announced its intention for at least an eight percent (8%) increase, noting it is anticipated to be the most significant increase on record. On September 2, HealthNet of California announced its intention to exit California for small and large group health coverage, which will necessitate San Pablo EDC going back out to market in December and changing coverage effective March 1, 2027.

Second, Mission Plaza has a new tenant which means two important things financially: (1) the tenant improvement (TI) cost approved by the Board in the lease and subsequent action in fiscal year 2025-26 will pay out in 2026-27; and (2) city inspection of these improvements applied updated codes to our property and therefore required San Pablo EDC to issue RFPs to address path of travel and roof HVAC enclosure improvements. The budget will need to be adjusted accordingly.

Third, specialized legal counsel and additional legal work have been necessary and more is anticipated; this will also require a line-item budget adjustment.

Finally, San Pablo EDC has expanded its work under the Contra Costa Workforce Collaborative (CCWC) to include workforce services under the Dislocated Oil and Gas Worker Fund (DOGWF) which will expand grant funding for staff and benefits by \$125,000, which will require a budget adjustment and free up some Measure S and Operations resources. The County has been significantly delayed with issuing the amended contract. Executive Director Choy follows up regularly with all parties.

Attachments

- San Pablo EDC FY26-27 Financial Statements through September 2026

San Pablo Economic Development
Balance Sheet
As of Sep 30, 2026

	Total
Assets	
Current Assets	
Bank Accounts	
10000 SPEDC Checking Acct.	672,122.90
10005 Money Market ...1115	2,256,921.05
10015 TCU Checking /Savings Account	246.45
10100 Petty Cash	100.00
Total Bank Accounts	\$2,929,390.40
Accounts Receivable	
11000 Accounts Receivable	919,170.96
Total Accounts Receivable	\$919,170.96
Other Current Assets	
13000 Prepaid Expenses	972.65
Total Other Current Assets	\$972.65
Total Current Assets	\$3,849,534.01
Fixed Assets	
14100 Buildings - Operating	1,540,000.00
14200 Accumulated Depreciation	(373,933.08)
Total Fixed Assets	\$1,166,066.92
Total Assets	\$5,015,600.93
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	(8,134.98)
Total Accounts Payable	\$(8,134.98)
Credit Cards	
20500 SPEDC Credit Card	961.08
Total Credit Cards	\$961.08
Other Current Liabilities	
24000 Payroll Liabilities {72}	4,292.39
25800 Unearned or Deferred Revenue	707,374.95
25820 Security Deposit	19,200.00
Total Other Current Liabilities	\$730,867.34
Total Current Liabilities	\$723,693.44
Long-term Liabilities	
27100 Notes, Mortgages, and Leases	1,300,000.00
Total Long-term Liabilities	\$1,300,000.00
Total Liabilities	\$2,023,693.44

Equity	
30000 Opening Balance Equity	291,056.62
32100 Operations Net Assets	2,728,984.91
32500 Meas S Net assets	38,798.08
Retained Earnings	(17,118.82)
Net Income	(49,813.30)
Total Equity	\$2,991,907.49
Total Liabilities and Equity	\$5,015,600.93

Accrual Basis Tuesday, October 20, 2026 09:00 AM GMT-07:00

San Pablo EDC
Budget vs. Actuals:
July - September, 2026

	Total Operations			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support	1,300.00	20,000.00	(18,700.00)	6.50%
44400 Government Contracts	140,625.00	562,500.00	(421,875.00)	25.00%
45000 Investments	5,756.65	80,150.00	(74,393.35)	7.18%
46400 Other Types of Income	9,150.00	25,044.00	(15,894.00)	36.54%
47200 Program Income	25,182.68	204,431.00	(179,248.32)	12.32%
Total Income	\$ 182,014.33	\$ 892,125.00	\$ (710,110.67)	20.40%
Gross Profit	\$ 182,014.33	\$ 892,125.00	\$ (710,110.67)	20.40%
Expenses				
60300 Awards and Grants	0.00	0.00	0.00	
60900 Business Expenses	1,892.95	5,850.00	(3,957.05)	32.36%
62100 Contract Services	20,274.00	50,500.00	(30,226.00)	40.15%
62800 Facilities and Equipment	268.58	4,000.00	(3,731.42)	6.71%
65000 Operations	11,315.45	159,750.00	(148,434.55)	7.08%
65100 Other Types of Insurance	2,239.00	46,000.00	(43,761.00)	4.87%
66000 Payroll Expenses {71}	157,421.26	667,035.00	(509,613.74)	23.60%
68300 Travel and Meetings	1,032.74	10,100.00	(9,067.26)	10.23%
69000 Operational Contingency	699.80	5,000.00	(4,300.20)	14.00%
69010 Bank Service Charges	298.80	0.00	298.80	
Total Expenses	\$ 195,442.58	\$ 948,235.00	\$ (752,792.42)	20.61%
Net Operating Income	\$ (13,428.25)	\$ (56,110.00)	\$ 42,681.75	23.93%
Other Expenses				
70100 Depreciation & Amortization	7,478.66	0.00	7,478.66	
Total Other Expenses	\$ 7,478.66	\$ -	\$ 7,478.66	
Net Other Income	\$ (7,478.66)	\$ -	\$ (7,478.66)	
Net Income	\$ (20,906.91)	\$ (56,110.00)	\$ 35,203.09	37.26%

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San Pablo EDC
Budget vs. Actuals:
July - September, 2026

	Measure S			% of Budget
	Actual	Budget	over Budget	
Income				
43400 Direct Public Support			0.00	
44400 Government Contracts	87,500.01	350,000.00	(262,499.99)	25.00%
45000 Investments			0.00	
46400 Other Types of Income			0.00	
47200 Program Income			0.00	
Total Income	\$ 87,500.01	\$ 350,000.00	\$ (262,499.99)	25.00%
Gross Profit	\$ 87,500.01	\$ 350,000.00	\$ (262,499.99)	25.00%
Expenses				
60300 Awards and Grants	5,000.00	5,000.00	0.00	100.00%
60900 Business Expenses	587.53	2,950.00	(2,362.47)	19.92%
62100 Contract Services	15,359.45	128,450.00	(113,090.55)	11.96%
62800 Facilities and Equipment			0.00	
65000 Operations	7,005.34	31,950.00	(24,944.66)	21.93%
65100 Other Types of Insurance			0.00	
66000 Payroll Expenses {71}	44,639.16	246,500.00	(201,860.84)	18.11%
68300 Travel and Meetings			0.00	
69000 Operational Contingency			0.00	
69010 Bank Service Charges			0.00	
Total Expenses	\$ 72,591.48	\$ 414,850.00	\$ (342,258.52)	17.50%
Net Operating Income	\$ 14,908.53	\$ (64,850.00)	\$ 79,758.53	-22.99%
Other Expenses				
70100 Depreciation & Amortization			0.00	
Total Other Expenses	\$ -	\$ -	\$ -	
Net Other Income	\$ -	\$ -	\$ -	
Net Income	\$ 14,908.53	\$ (64,850.00)	\$ 79,758.53	-22.99%

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San Pablo EDC
Budget vs. Actuals:
July - September, 2026

	Total Grants			% of Budget
	Actual	Budget	over Budget	
Income				
43400 Direct Public Support	50,000.00	123,000.00	(73,000.00)	40.65%
44400 Government Contracts	0.00	254,700.00	(254,700.00)	0.00%
45000 Investments	0.00	0.00	0.00	
46400 Other Types of Income	0.00	0.00	0.00	
47200 Program Income	0.00	0.00	0.00	
Total Income	\$ 50,000.00	\$ 377,700.00	\$ (327,700.00)	13.24%
Gross Profit	\$ 50,000.00	\$ 377,700.00	\$ (327,700.00)	13.24%
Expenses				
60300 Awards and Grants	0.00	0.00	0.00	
60900 Business Expenses	1,053.61	14,500.00	(13,446.39)	7.27%
62100 Contract Services	0.00	35,000.00	(35,000.00)	0.00%
62800 Facilities and Equipment	0.00	0.00	0.00	
65000 Operations	398.49	7,100.00	(6,701.51)	5.61%
65100 Other Types of Insurance	0.00	0.00	0.00	
66000 Payroll Expenses {71}	92,362.82	321,100.00	(228,737.18)	28.76%
68300 Travel and Meetings	0.00	0.00	0.00	
69000 Operational Contingency	0.00	0.00	0.00	
69010 Bank Service Charges	0.00	0.00	0.00	
Total Expenses	\$ 93,814.92	\$ 377,700.00	\$ (283,885.08)	24.84%
Net Operating Income	\$ (43,814.92)	\$ -	\$ (43,814.92)	
Other Expenses				
70100 Depreciation & Amortization	0.00	0.00	0.00	
Total Other Expenses	\$ -	\$ -	\$ -	
Net Other Income	\$ -	\$ -	\$ -	
Net Income	\$ (43,814.92)	\$ -	\$ (43,814.92)	

Tuesday, Oct 20, 2026 08:34:26 AM GMT-7 - Accrual Basis

San Pablo EDC
Budget vs. Actuals:
July - September, 2026

	TOTAL			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support	51,300.00	143,000.00	(91,700.00)	35.87%
44400 Government Contracts	228,125.01	1,167,200.00	(939,074.99)	19.54%
45000 Investments	5,756.65	80,150.00	(74,393.35)	7.18%
46400 Other Types of Income	9,150.00	25,044.00	(15,894.00)	36.54%
47200 Program Income	25,182.68	204,431.00	(179,248.32)	12.32%
Total Income	\$ 319,514.34	\$ 1,619,825.00	\$ (1,300,310.66)	19.73%
Gross Profit	\$ 319,514.34	\$ 1,619,825.00	\$ (1,300,310.66)	19.73%
Expenses				
60300 Awards and Grants	5,000.00	5,000.00	0.00	100.00%
60900 Business Expenses	3,534.09	23,300.00	(19,765.91)	15.17%
62100 Contract Services	35,633.45	213,950.00	(178,316.55)	16.66%
62800 Facilities and Equipment	268.58	4,000.00	(3,731.42)	6.71%
65000 Operations	18,719.28	198,800.00	(180,080.72)	9.42%
65100 Other Types of Insurance	2,239.00	46,000.00	(43,761.00)	4.87%
66000 Payroll Expenses {71}	294,423.24	1,234,635.00	(940,211.76)	23.85%
68300 Travel and Meetings	1,032.74	10,100.00	(9,067.26)	10.23%
69000 Operational Contingency	699.80	5,000.00	(4,300.20)	14.00%
69010 Bank Service Charges	298.80	0.00	298.80	
Total Expenses	\$ 361,848.98	\$ 1,740,785.00	\$ (1,378,936.02)	20.79%
Net Operating Income	\$ (42,334.64)	\$ (120,960.00)	\$ 78,625.36	35.00%
Other Expenses				
70100 Depreciation & Amortization	7,478.66	0.00	7,478.66	
Total Other Expenses	\$ 7,478.66	\$ -	\$ 7,478.66	
Net Other Income	\$ (7,478.66)	\$ -	\$ (7,478.66)	
Net Income	\$ (49,813.30)	\$ (120,960.00)	\$ 71,146.70	41.18%

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SAN PABLO EDC BOARD REPORT



DATE: October 28, 2026

TO: San Pablo EDC Board

FROM: Leslay Choy, Executive Director
Bradley Ward, Controller

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SUBJECT: RECEIVE PRESENTATION BY MAZE & ASSOCIATES SAN PABLO ECONOMIC DEVELOPMENT CORPORATION FOR FISCAL YEAR 2025-2026 FINANCIAL AUDIT AND RELATED DOCUMENTS

RECOMMENDED ACTION

The Executive Director and Controller recommend the Board of Directors:

1. Receive presentation
2. Receive and file reports

BACKGROUND

As part its fiduciary oversight, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) receives and reviews the organization's audited consolidated financial statements and related tax filing (Form 990).

Additionally, the Board also reviews the Required Communication (RC) Memo and the Memorandum on Internal Controls (MOIC), which are prepared by the organization's accounting firm, Maze & Associates. San Pablo EDC uses URS-recommended best practice of changing partners who lead the audit every three years to ensure fresh, unbiased review of financials and related practices. This year, Vikki Rodriguez, CPA and partner at Maze & Associates, led the team and will present the audit and its related documents to the Board. These documents are prepared under the requirements of the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC), No. 958, which breaks down organization expenses by functional area.

The final pages of the audited financial statements contain detailed Notes (six in total) that provide informative explanations by category. Staff would call the Board's attention to Note 4, as this outlines the outstanding note of \$1,300,000 that the Local Successor Agency (LSA) carries on the EDC's behalf, which will need to be refinanced in 2030, as the obligations of the LSA described in the annual Recognized Obligations Payment Schedules (ROPS) would be fully retired, at which time, the LSA would then be formally dissolved.

ANALYSIS

Maze and Associates completed the fieldwork for the fiscal year 2025-2026 (FY25-26) audit in September 2026 and provided the attached audited financial statements, and its accompanying documents, the MOIC and the RC. These documents give the Board a sense of the controls in place, protocols and policies that should be followed, and any concerns or difficulties that the audit team may have encountered in its work. In the comparison to FY24-25 financial statements, the Board will notice some differences.

The decrease in unrestricted cash and cash equivalents on the balance sheet is primarily due to the spending of City of San Pablo funding in administering the San Pablo Scholarship Program and spending of the balance of the Kaiser Permanente Community Benefit grant. The organization saw, as anticipated, reduced rental income due to tenant turnover and delays in moving through the license process.

Please note that San Pablo EDC Form 990 Tax Filings are due November 15th. Following presentation of these items, the FY 2025-26 Form 990 Tax Filing, Form 199 (CA Tax Return) and Form RRF-1 (CA Registration/Renewal Report to the Attorney General) will be filed by Maze & Associates.

Staff asks the Board to review the attachments in detail, receive the presentation by Maze & Associates, request any clarifications desired, and motion to receive and file the report.

Attachments

1. FY2025-26 Required Communications
2. FY2025-26 Memorandum on Internal Control
3. FY2025-26 Consolidated Financial Statements
4. 2025 Tax Return (to follow)

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
REQUIRED COMMUNICATIONS
FOR THE YEAR ENDED JUNE 30, 2026

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SAN PABLO ECONOMIC DEVELOPMENT CORPORATION

REQUIRED COMMUNICATIONS

For the Year Ended June 30, 2026

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REQUIRED COMMUNICATIONS

To the Board of Directors of
San Pablo Economic Development Corporation
San Pablo, California

We have audited the consolidated financial statements of the San Pablo Economic Development Corporation (EDC) for the year ended June 30, 2026, and issued our report dated **DATE**. Professional standards require that we communicate to you the following information related to our audit under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated June 29, 2026, signed by the Executive Director, and in a letter to the Board Chair and Board Treasurer on September 24, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Matters

Qualitative Aspects of Accounting Practices

Accounting Policies – Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the EDC are described in Note 2 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year.

Unusual Transactions, Controversial or Emerging Areas – We noted no transactions entered by the EDC during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates – Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the EDC's financial statements was:

Estimate of Depreciation: Management's estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 2E to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the financial statements taken as a whole.

Allocation of Functional Expenses: Management's estimate of the expense allocation amongst program services, management & general, and fundraising expenses, included on the Statement of Activities and Statement of Functional Expenses, are based on a time study performed. We evaluated the key factors and assumptions used to develop the functional expense allocations in determining that it is reasonable in relation to the financial statements taken as a whole.

Disclosures – The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not propose any audit adjustments that, in our judgment, could have a significant effect, either individually or in the aggregate, on the EDC's financial reporting process.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the Board of Directors.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in a management representation letter dated **DATE**.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the EDC's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the EDC's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Pleasant Hill, California

DATE

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
MEMORANDUM ON INTERNAL CONTROL
FOR THE YEAR ENDED
JUNE 30, 2026

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**SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
MEMORANDUM ON INTERNAL CONTROL**

For the Year Ended June 30, 2026

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Final Draft

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MEMORANDUM ON INTERNAL CONTROL

To the Board of Directors of
San Pablo Economic Development Corporation
San Pablo, California

In planning and performing our audit of the basic financial statements of the San Pablo Economic Development Corporation (EDC) as of and for the year ended June 30, 2026, in accordance with auditing standards generally accepted in the United States of America, we considered the EDC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the EDC's internal control. Accordingly, we do not express an opinion on the effectiveness of the EDC's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the EDC's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe are opportunities for strengthening internal controls and operating efficiency.

This communication is intended solely for the information and use of management, Board of Directors, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Pleasant Hill, California

DATE

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**SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
MEMORANDUM ON INTERNAL CONTROL**

SCHEDULE OF OTHER MATTERS

2026-01: Documentation of Review of Bank Reconciliations

Criteria: Per the EDC's policies, monthly bank reconciliations should be prepared and independently reviewed by separate personnel. Evidence of the review should be documented through a signature, initials, or other form of approval and completed within 30-45 days of month-end.

Condition: Per review of the February 2026 and June 2026 bank reconciliations for Mechanics Bank Accounts ending in 6498 and 1115, the EDC prepared the reconciliations in a timely manner, within 30 to 45 days of month-end. However, there was no evidence indicating that the reconciliations were reviewed after completion.

Cause: An independent review of the February 2026 and June 2026 bank reconciliations was not formally documented.

Effect: We could not verify if a review of all monthly bank reconciliations had taken place.

Recommendation: We recommend the EDC implement and consistently maintain a formal review process, in a timely manner (e.g., initials, signature, or electronic approval with date), on each reconciliation to show a review of the monthly bank reconciliations was performed.

Management's Response:

The Finance Manual will be updated to reflect that the bank reconciliation will be reviewed on a monthly basis with the financial statements by the Board Treasurer or his designee. The Treasurer will provide an initialed, signed or electronic approval with date.

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SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

Final Draft

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INTRODUCTORY SECTION

Final Draft

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SAN PABLO ECONOMIC DEVELOPMENT CORPORATION

Basic Financial Statements For the Year Ended June 30, 2026

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SAN PABLO ECONOMIC DEVELOPMENT CORPORATION**BOARD OF DIRECTORS****June 30, 2026**

Genoveva Garcia Calloway, Board Chair
Saman Farid, Vice Chair
Kanwar Singh, Treasurer
Arturo Cruz, Director
Stephen Baiter, Director

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
San Pablo Economic Development Corporation
San Pablo, California

Report on the Audit of the Financial Statement

Opinion

We have audited the accompanying financial statements of the San Pablo Economic Development Corporation (Corporation), a nonprofit organization, which comprise the statement of financial position as of June 30, 2026, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the San Pablo Economic Development Corporation as of June 30, 2026, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the San Pablo Economic Development Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time, generally within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the San Pablo Economic Development Corporation's 2025 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 13, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2025, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Pleasant Hill, California

DATE

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2026
WITH SUMMARIZED AMOUNTS AS OF JUNE 30, 2025

ASSETS	<u>2026</u>	<u>2025</u>
Current Assets:		
Cash and cash equivalents (Note 2C)	\$3,139,529	\$3,544,974
Accounts receivable	53,269	59,476
Prepaid expenses	19,573	
Other assets	<u>4,792</u>	<u>240</u>
Total Current Assets	<u>3,217,163</u>	<u>3,604,690</u>
Non Current Assets:		
Capital assets (Note 3):		
Depreciable, net	<u>1,173,545</u>	<u>1,218,417</u>
Total Non Current Assets	<u>1,173,545</u>	<u>1,218,417</u>
Total Assets	<u><u>\$4,390,708</u></u>	<u><u>\$4,823,107</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$6,989	\$15,052
Accrued liabilities	19,232	3,600
Deferred revenue	<u>23,000</u>	<u>335,487</u>
Total Current Liabilities	<u>49,221</u>	<u>354,139</u>
Non Current Liabilities:		
Notes payable (Note 4)	<u>1,300,000</u>	<u>1,300,000</u>
Total Non Current Liabilities	<u>1,300,000</u>	<u>1,300,000</u>
Total Liabilities	<u>1,349,221</u>	<u>1,654,139</u>
NET ASSETS (NOTE 2A)		
Without donor restrictions	2,976,409	3,074,646
With donor restrictions (Note 6)	<u>65,078</u>	<u>94,322</u>
Total Net Assets	<u>3,041,487</u>	<u>3,168,968</u>
Total Liabilities and Net Assets	<u><u>\$4,390,708</u></u>	<u><u>\$4,823,107</u></u>

See accompanying notes to consolidated financial statements

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2026
WITH SUMMARIZED AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2026	2025
REVENUES AND SUPPORT				
Government contracts (Note 2B)	\$947,463		\$947,463	\$923,325
Government and foundation grants (Note 2B)	127,353	\$350,000	477,353	419,867
Rental income	117,546		117,546	156,467
Program income	57,522		57,522	65,624
Corporate contributions	21,800		21,800	15,010
Individual and business contributions	2,000		2,000	
Interest income, net	71,052		71,052	84,718
Net assets release from restriction (Note 6)	379,244	(379,244)		
Total Revenue and Support	1,723,980	(29,244)	1,694,736	1,665,011
EXPENSES				
Program Services	1,230,736		1,230,736	1,060,301
Support Services:				
Management and general	305,359		305,359	279,204
Fundraising	286,122		286,122	215,378
Total Expenses	1,822,217		1,822,217	1,554,883
Changes in Net Assets	(98,237)	(29,244)	(127,481)	110,128
Net Assets -Beginning of Year	3,074,646	94,322	3,168,968	3,058,840
Net Assets -End of Year	\$2,976,409	\$65,078	\$3,041,487	\$3,168,968

See accompanying notes to consolidated financial statements

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2026
WITH SUMMARIZED AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Program Services	Supporting Services		Totals	
		Management and			
	General	General	Fundraising	2026	2025
FUNCTIONAL EXPENSES					
Personnel Costs:					
Salaries	\$512,081	\$147,449	\$181,527	\$841,057	\$739,150
Payroll taxes	35,627	14,418	14,028	64,073	56,605
Health and other fringe benefits	56,483	56,484	35,901	148,868	144,367
Worker's compensation	672	538		1,210	1,506
Subtotal Personnel Costs	604,863	218,889	231,456	1,055,208	941,628
Community awards and grants	5,000			5,000	5,000
Business expenses		26,715		26,715	20,839
Professional services	320,569	12,475	54,666	387,710	263,973
Asset management	120,479			120,479	43,279
Interest (Note 4)	52,000			52,000	52,000
Insurance		37,780		37,780	30,681
Depreciation (Note 3)	44,872			44,872	44,872
Office supplies		2,897		2,897	3,580
Office equipment, maintenance and rental		670		670	3,200
Program costs and marketing	30,125			30,125	13,823
Printing and reproduction	47,750			47,750	47,098
Telephone and telecommunications	5,078			5,078	4,567
Travel and meetings		5,933		5,933	1,391
Other expense					78,952
Total Functional Expenses	\$1,230,736	\$305,359	\$286,122	\$1,822,217	\$1,554,883

See accompanying notes to consolidated financial statements

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF CHANGES IN CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED JUNE 30, 2025

	Totals	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	(\$127,481)	\$110,128
Adjustments to reconcile to net cash (used for) provided by operating activities:		
Depreciation expense	44,872	44,872
Decrease in accounts receivable	6,207	39,194
(Increase) in prepaid expenses	(19,573)	
(Increase) decrease in other assets	(4,552)	13,045
(Decrease) in accounts payable	(8,063)	(11,063)
(Decrease) increase in deferred revenue	(312,487)	261,099
Increase (decrease) in accrued liabilities	15,632	(16,376)
Total Adjustments	(277,964)	330,771
Cash Flows (Used) Provided by Operating Activities	(405,445)	440,899
CASH FLOWS FROM INVESTING ACTIVITIES		
Use of construction deposit		(24,293)
Cash Flows (Used) by Investing Activities		(24,293)
Net (decrease) increase in cash and cash equivalents	(405,445)	416,606
Cash and cash equivalents, beginning of year	3,544,974	3,128,368
Cash and cash equivalents, end of year	<u>\$3,139,529</u>	<u>\$3,544,974</u>
Supplemental information:		
Interest paid (Note 4)	<u>\$52,000</u>	<u>\$52,000</u>

See accompanying notes to consolidated financial statements

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2026

NOTE 1 – ORGANIZATION AND PROGRAM

The San Pablo Economic Development Corporation (EDC) is a nonprofit public benefit corporation incorporated on April 4, 2011. The mission of the EDC is to act as the catalyst for equitable economic opportunity. The specific purposes of the EDC are to:

- Expand public-private partnerships and partner with various public and private entities to perform activities so as to expand employment, economic prosperity and business opportunities for businesses and residents within the City of San Pablo (City).
- Provide public and charitable services and activities that are associated with such specific purposes as allowed by law.
- Develop the capacity of local businesses, and expand access to resources to promote economic growth.
- Provide and expand economic opportunities for all residents with an emphasis on access to job training and employment for low and moderate income households in the City.
- Encourage and stimulate economic development within the City to attract industry that diversifies and stabilizes the local economy.
- Partner with various entities to develop programs that encourage employment and community safety.
- Engage in community development as it relates to economic development in partnership with others.
- Solicit and receive contributions, donations, grants, gifts, bequests, including all kinds of income, securities and property, both real, personal and mixed, whether principal or income, tangible or intangible, present or future, vested or contingent.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), No. 958, *Financial Statements of Not-for-Profit Organizations*.

The EDC reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – Net assets available for use in general operations that are not subject to or are no longer subject to donor-imposed restrictions.

Net Assets With Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2026

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
--

A. *Basis of Presentation (Continued)*

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

B. *Support and Revenues*

Grants from the City and public contributions from individuals and corporations are recorded upon receipt. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as Net Assets With Donor Restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

At June 30, 2026 and 2025, Government contracts accounted for 56% and 55%, respectively, of the Organization's total support and revenue.

At June 30, 2026 and 2025, Government and foundations grants (Measure S) accounted for 28% and 25%, respectively, of the Organization's total support and revenue.

C. *Cash and Cash Equivalents*

The EDC considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents are comprised of cash in banks, which is insured by the Federal Depository Insurance Corporation up to \$250,000, with each financial institution. At June 30, 2026 and 2025, the EDC's cash and cash equivalents balance was \$3,139,529 and \$3,544,974, respectively.

D. *Concentration Risk*

The EDC maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The EDC has not experienced any losses on such accounts, and management believes it is not exposed to any significant risk on cash deposits.

Financial instruments that potentially subject the EDC to concentrations of credit risk consist principally of cash deposits with a bank and brokerage firm. The EDC limits its exposure to concentrations of credit risk by maintaining its cash accounts at high quality financial institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2026 and 2025, EDC had \$2,638,057 and \$3,044,626, respectively, on deposit in excess of the FDIC insured limit.

Accounts receivable are stated at the amount the EDC's management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to bad debt expense and a credit to a valuation based on its assessment of the current status of individual accounts. Management believes the entire balance of receivables is collectible, and therefore, no allowance was recorded as of June 30, 2026 and 2025, respectively.

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2026

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Capital Assets

Capital assets are recorded at cost or estimated fair value if the costs exceed minimum thresholds with useful lives exceeding two years. Depreciation is calculated by using the straight-line method over the assets' estimated useful lives. When assets are retired or disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in changes in net assets. The EDC's policy is to depreciate buildings over 39 years, furniture and equipment over 3-7 years and vehicles over a useful life of 5 years.

F. Functional Allocation of Expenses

The costs for providing the various programs and activities have been summarized on a functional basis in the statements of activities. Those expenses which cannot be specifically identified by function type have been allocated to functions based upon management's best estimate of usage. For certain expenses, such as personnel costs, these estimates are based on management's estimate of each staff's job duties performed in in each area.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

H. Income Taxes

The EDC is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these statements. In addition, the EDC qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The EDC paid no taxes on unrelated business income for the years ended June 30, 2026 and 2025, respectively.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the organization's tax returns. Management has determined that the EDC does not have any uncertain tax positions and associated unrecognized benefits that materially impact the consolidated financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the EDC's tax returns will not be challenged by the taxing authorities and that the EDC will not be subject to additional tax, penalties, and interest as a result of such a challenge. Generally, the EDC's tax returns remain open for federal income tax examination for three years from the date of filing.

I. Advertising

Advertising costs, if any, are expensed as incurred.

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2026

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
--

J. Fair Value Measurements

The EDC reports certain assets and liabilities at fair value in the financial statements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three tier hierarchy based on observable and non-observable inputs. Observable inputs consist of data obtained from independent sources. Non-observable inputs reflect industry assumptions. These two types of inputs are used to create the fair value hierarchy, giving preference to observable inputs.

J. Fair Value Measurements (Continued)

The three-tier hierarchy categorizes the inputs as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3: Unobservable inputs for the asset or liability. In these situations, the EDC develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

K. Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the EDC's financial statements for the year ended June 30, 2025, from which the summarized information was derived.

L. Lease Accounting

The San Pablo Economic Development Corporation recognizes and measures its lease in accordance with FASB ASC 842, *Leases*. The San Pablo Economic Development Corporation determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of the existing contract are changed. As of June 30, 2026, the San Pablo Economic Development Corporation did not have any significant leases that should be recorded on the Statement of Financial Position.

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2026

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Subsequent Events

The San Pablo Economic Development Corporation evaluated subsequent events for recognition and disclosure through **DATE**, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2026, that requires recognition or disclosure in such financial statements.

NOTE 3 – CAPITAL ASSETS

Capital assets balances and activity for the year are summarized below:

	Balance at June 30, 2025	Additions	Balance at June 30, 2026
Capital assets being depreciated:			
Building - EDC	\$1,540,000		\$1,540,000
Total capital assets being depreciated:	1,540,000		1,540,000
Less accumulated depreciation	(321,583)	(\$44,872)	(366,455)
Net capital assets being depreciated	\$1,218,417	(\$44,872)	\$1,173,545
Total capital assets, net	\$1,218,417	(\$44,872)	\$1,173,545

In July 2018, the EDC purchased a building at Mission Plaza from the Successor Agency to the Redevelopment Agency of the City San Pablo (Successor Agency) in the amount of \$1,750,000, of which \$1,300,000 was seller-financed (see Note 4). In January 2020, the EDC sold a vacant parcel worth \$210,000.

NOTE 4 – NOTES PAYABLE

The EDC purchased a building at Mission Plaza in July 2018 from the Successor Agency, who provided financing to the EDC in the amount of \$1,300,000. The Note is secured by the property, bears interest at an annual rate of 4%, and is due and payable in full no later than twelve (12) years from the date of the note. The EDC will make annual interest-only payments of \$52,000 over the 12 years, at which time, the balance of the principal will be due.

Future repayment requirements for the note are shown below:

For the Year Ending June 30	Principal	Interest	Total
2027		\$52,000	\$52,000
2028		52,000	52,000
2029		52,000	52,000
2030		52,000	52,000
2031	\$1,300,000	52,000	1,352,000
	\$1,300,000	\$260,000	\$1,560,000

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2026

NOTE 5 – LIQUIDITY AND AVAILABILITY AND RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, consisted of the following as of June 30:

	2026	2025
Total current financial assets:		
Cash and cash equivalents	\$3,139,529	\$3,544,974
Accounts receivable	53,269	59,476
Total current financial assets	3,192,798	3,604,450
Less contractual or donor-imposed restrictions:		
Donor-imposed restrictions	(65,078)	(94,322)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$3,127,720</u>	<u>\$3,510,128</u>

The EDC receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The EDC manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

In 2012, EDC was awarded funding from the City of San Pablo through Measure Q Funding that was passed in November 2012. The funding for Measure Q ended in 2022. In 2020, EDC was awarded funding from the City of San Pablo through Measure S Funding that was passed in November 2020, and the funding for Measure S goes through September 30, 2032. Funding for both Measures Q and S was used towards the following: public safety programs, job creation, job training and job placement for local residents, to fund local school-based programs and services that focus on supporting academics, mental health, childhood obesity prevention programs, and to support other City services designed to enhance the quality of life for all San Pablo residents.

For the year ended June 30, 2026, activity for net assets with donor restrictions consisted of the following:

Designation	Balance June 30, 2025	Additions to Restrictions	Funds Released	Balance June 30, 2026
Measure S/Q	\$94,322	\$350,000	(\$379,244)	\$65,078
Totals	<u>\$94,322</u>	<u>\$350,000</u>	<u>(\$379,244)</u>	<u>\$65,078</u>

SAN PABLO EDC BOARD REPORT



DATE: October 28, 2026

[Back to Agenda](#)

TO: San Pablo EDC Board

FROM: Leslay Choy, Executive Director

SUBJECT: RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING EXECUTION OF FISCAL YEAR 2026-27 SUBRECIPIENT CONTRACT FOR \$129,700 WITH RUBICON PROGRAMS FOR DELIVERY OF WIOA AJCC WORKFORCE SERVICES UNDER THE CONTRA COSTA WORKFORCE COLLABORATIVE

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

Strategy 1: Coalesce diverse partner efforts to provide broad and intentional support services to business and workforce.

Strategy 4: Focus on the organization's fiscal sustainability and revenue diversification.

As briefly discussed previously with the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board), the federal Workforce Innovation and Opportunity Act (WIOA)/American's Job and Career Centers (AJCC) program has been the subject of much federal debate with significant reductions discussed. At the National Association of Workforce Boards in Washington, D.C. the week of September 28, 2026, Executive Director Choy listened to experts and the acting assistant director of the department of education discuss the zeroed-out funding for youth, elimination of training areas that represent economic mobility predominantly in communities of color and the highlighted disconnect between elimination of incumbent worker training while having a career progression focus. As Congress was unexpectedly put on recess, the declined proposal has yet to be addressed. While the future is uncertain, this contract is firm and has room for expansion.

San Pablo EDC has been a part of the Contra Costa Workforce Collaborative (CCWC) since fiscal year 2018-19 (FY18-19). One of three (3) organizations offering services in West County, and one of 11 organizations countywide led by Rubicon Programs (Rubicon), San Pablo EDC entered into a sub-recipient agreement for \$28,600 to provide Workforce Innovation and Opportunity Act (WIOA)/American's Job and Career Centers (AJCC) services. San Pablo EDC's primary service area is San Pablo, unincorporated West County, Rodeo and Contra Costa College. Before the Board for its consideration is the fiscal year 2026-27 (FY26-27) subrecipient contract with Rubicon for \$129,700. There are no funding or service goal changes from FY25-26.

San Pablo EDC joined with Rubicon Programs and CCWC colleagues to provide a successful competitive response to the Employment and Human Services Development (EHSD) and Workforce Development Board of Contra Costa County (WDBCCC) to provide WIOA AJCC services for another three-year period, with funding that varies from year to year, beginning July 1, 2022. Each year, based on available funding, goals, budgets and new contracts are negotiated. Federal funding for these programs comes under WIOA and is allocated by the federal government to states who distribute to counties. As San Pablo is a general law city, it may not receive WIOA funding to directly administer, and relies upon whomever the WIOA

AJCC service provider might be. In 2018, the county-administered AJCC system was dissolved, putting the funding out as a request for proposal (RFP), and from this opportunity, the CCWC emerged. San Pablo EDC saw CCWC as a long-term, critical opportunity to better serve the disenfranchised workforce, leverage Measure S funding and demonstrate ability to perform with federal funding.

The WIOA AJCC Services RFP process is expected to open soon.

ANALYSIS

San Pablo and the Contra Costa region that San Pablo EDC serves needs these training dollars and business support funding. While they fall far short of what is needed, whatever is received, even without growth for inflation or CPI adjustment, become vital dollars that we may leverage and put to work for those we serve. So, even without a budget increase, staff recommend approving the resolution. These are excellent partners and this contract allows San Pablo EDC to continue providing vital services.

San Pablo EDC has been fortunate to meet or outperform its contract every year with at or above industry standards for training completions, measurable skills gains and employment. With a very small but talented staff, we manage to enroll more on-the-job trainings (OJT) that lead to full-time, progressive-wage employment than others.

Participation in the CCWC has afforded the San Pablo EDC opportunities to co-enroll qualified workforce clients served through Measure S and other grant programs, deepening the supports offered. This contract allows San Pablo EDC to leverage funds, directly serve workforce and compete for funding that the organization would have otherwise not had the data to secure. For San Pablo residents, WIOA funding may be leveraged with Measure S funding to help assume more of the costs and reduce the financial burden and potential for debt. For all WIOA clients, staff leverages any qualifying funding to more wholly serve the individual with critical wrap-around services, such as food security, childcare subsidy and stipends to meet critical needs. San Pablo EDC's goal is to enroll 70 workforce clients under this grant. In FY25-26, San Pablo EDC again enrolled 77.

As with all federal monies, the recipient, Rubicon, and all subrecipients are subject to both a quality assurance (QA) and financial audit. San Pablo EDC has complied annually with no issues to report.

Once executed, the contract would be effective July 1, 2026 through June 30, 2027. It remains significant in terms of revenue diversification.

Important Notes: Contra Costa County's Fiscal Department remains delayed in its contract execution. The attached sub-recipient contract was approved by Rubicon in September when the County executed the main contract award. So, following board action, San Pablo EDC may submit an invoice demand for the first three months of the year, which staff have already prepared, for regular CCWC WIOA contract services. San Pablo EDC was also awarded an additional \$125,000 to co-enroll 25 participants in the Dislocated Oil and Gas Worker (DOGWF) grant and provide workforce services. While the budget has been approved, we may not submit invoice demands for reimbursement under DOGWF until the county's Fiscal Department takes action to ratify the contract budget amendment. Once that happens, Executive Director Choy will bring the amended sub-recipient contract to the Board.

The Board is asked to authorize the Executive Director to execute the fiscal year 2026-27 Subrecipient Contract for \$129,700 with Rubicon Programs for delivery of WIOA AJCC workforce services under the Contra Costa Workforce Collaborative, allowing for immaterial changes, such as adult to dislocated worker ratios, or otherwise, to be included, if needed.

FISCAL IMPACT

Fiscal impact will be \$129,700 to account 44410 Agency Contracts grants class, and \$129,700 will be realized in grant-related staffing and benefits expenses.

Attachments

1. FY26-27 Rubicon CCWC Subrecipient Agreement - San Pablo EDC

RESOLUTION SPEDC2026-027

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING EXECUTION OF FISCAL YEAR 2026-27 SUBRECIPIENT CONTRACT FOR \$129,700 WITH RUBICON PROGRAMS FOR DELIVERY OF WIOA AJCC WORKFORCE SERVICES UNDER THE CONTRA COSTA WORKFORCE COLLABORATIVE

WHEREAS, As briefly discussed previously with the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board), the federal Workforce Innovation and Opportunity Act (WIOA)/American's Job and Career Centers (AJCC) program has been the subject of much federal debate with significant reductions discussed; and

WHEREAS, San Pablo EDC has been a part of the Contra Costa Workforce Collaborative (CCWC) led by Rubicon Programs (Rubicon) since fiscal year 2018-19, offering services in West County; and

WHEREAS, for San Pablo residents, WIOA funding may be leveraged with Measure S funding to help assume more of the costs and reduce the financial burden and potential for debt; for all WIOA clients, staff leverages any qualifying funding to more wholly serve the individual with critical wrap-around services, such as food security, childcare subsidy and stipends to meet critical needs; and

WHEREAS, as San Pablo is a general law city, it may not receive WIOA funding to directly administer, and relies upon whomever the WIOA AJCC service provider might be; and

WHEREAS, once executed, the contract would be effective July 1, 2026 through June 30, 2027, and would provide significant funding for three workforce staff; and

WHEREAS, as with all federal monies, the recipient, Rubicon, and all subrecipients are subject to both a quality assurance (QA) and financial audit; San Pablo EDC has complied annually with no issues to report; and

WHEREAS, fiscal impact will be \$129,700 to account 44410 Agency Contracts grants class, and \$129,700 will be realized in grant-related staffing and benefits expenses.

NOW, THEREFORE, BE IT RESOLVED by the San Pablo Economic Development Corporation Board of Directors, as follows:

- 1) Authorize the Executive Director to execute the fiscal year 2026-27 Subrecipient Contract for \$129,700 with Rubicon Programs for delivery of WIOA AJCC workforce services under the Contra Costa Workforce Collaborative.

ADOPTED this 28th day of October, 2026, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

Saeid Babay Hosseini, Board Secretary

Genoveva Calloway, Board Chair

MEMORANDUM OF UNDERSTANDING AND SUBRECIPIENT AGREEMENT

I. PURPOSE

This Memorandum of Understanding and Subrecipient Agreement ("Agreement") is entered into between Rubicon Programs ("Rubicon") as the Lead Agency of the Contra Costa Workforce Collaborative (CCWC) and **San Pablo Economic Development Corporation (SPEDC)** ("Subcontractor"), a member agency of the CCWC.

The CCWC is a public-nonprofit partnership among 12 community-based organizations and educational entities. The CCWC will provide comprehensive employment and supportive services in Contra Costa County, including at the comprehensive AJCC in Concord and at over 10 access points throughout the County. This innovative model, Active Collaboration Through Innovation, Opportunities, and Networking (ACTION), represents a joint commitment to a human-centered approach that addresses the unique needs of CCC's jobseekers and employers.

II. FUNDING AND RELATIONSHIP OF THE PARTIES

- III. Rubicon and the member agencies of the CCWC worked collaboratively to submit a proposal in Response to Contra Costa County's Request for Proposal 1180 for provision is funded by the County, through the Employment and Human Services Workforce Development Board (WDBCCC) to provide Workforce Innovation and Opportunity Act (WIOA) America Job Center of California (AJCC) and Adult and Dislocated Worker (A/DW) Career Services. Rubicon, as the lead agency for the CCWC, was awarded the FY26-27 Funding amount \$1,621,879 to enroll and serve participants under WIOA, Dislocated Oil and Gas Worker Fund Initiative (DOGWF) and in the Marine Trade Waterfront Training Careers Initiative (MTWTC).

Rubicon serves as the Fiscal Agent and Lead Agency for the CCWC and is considered a subrecipient of federal funds from WDBCCC. Subcontractor will provide and carry out federally funded services as described below, and in so doing understands that it is a subrecipient to Rubicon for financial, monitoring and compliance purposes.

IV. TERM

Effective Date and Agreement Term: The effective date of this Agreement is 07/01/2026 and the effective term is 07/01/2026 through 06/30/2027.

Early Termination: This Agreement may not be terminated without cause. In the event of noncompliance with the terms of the Agreement, Rubicon will request in writing that noncompliance be cured within 30 days. In the event that noncompliance is not cured after 30 days, Rubicon will put into place accelerated reporting requirements. If Subcontractor fails to comply with these requirements, Rubicon may terminate the Agreement with 30 days' notice.

Loss of Project Funding: If funding which supports this program is suspended or terminated in whole or in part, this Agreement shall cease.

V. FISCAL ADMINISTRATION, REPORTING AND MONITORING

Obligated Funds: The funds obligated pursuant to this Agreement are **\$129,700** for the 12-month

contract period running 07/01/2026 through 06/30/2027. The obligated funds reflect current executed contract between WDB and Rubicon Programs. Allocation to SPEDC may be increased via written amendment to this agreement. Additional DOGWAF funds may be added to this agreement as designated by the WDBCCC.

Fiscal Administration: Rubicon and Subcontractor will each designate a representative for fiscal administration of this subcontract. The representatives and/or their designees will meet whenever necessary and will maintain regular and ongoing communication.

Fiscal Reporting to WDBCCC: Rubicon will prepare fiscal reports and invoices required by WDBCCC. Subcontractor will provide all necessary reports, invoices and documentation required by Rubicon to meet WDBCCC reporting and invoicing requirements.

Invoices and Reporting to Rubicon: Reports and invoices will be prepared in conformance with the template set forth in Attachment B. These requirements are subject to change over the term of this Agreement as required by Rubicon.

All expenditures of grant funds and requests for reimbursement pursuant to this Agreement must be made in conformance with the budget set forth in Attachment C. Subcontractor will not be reimbursed for expenditures greater than the amount budgeted for the Program year during which the expenses were incurred. Budget modifications may be made upon request and by mutual Agreement between the parties. Rubicon reserves the right to deny requests for budget modifications.

Fiscal Compliance and Contract Monitoring: Rubicon will conduct on site Fiscal monitoring during the term of this Agreement. Such monitoring may include, as necessary, review of Subcontractor's organizational budget, the general ledger, balance sheet, cost allocation procedures and plan, State and Federal tax forms, audited financial statement, fiscal policy manual, supporting documentation for selected invoices, cash receipts and disbursement journals. The compliance monitoring may include review of Personnel Manual, Emergency Operations Plan, Compliance with the Americans with Disabilities Act, subcontracts, and agreements, and the current board roster and selected board minutes for compliance with the Sunshine Ordinance. Monitoring may also include review of all information described in the Contract Documents, Service Plan Outline, Section VI.A.

Audits: Subcontractor is responsible for the arrangement for and payment of any costs associated with audits of its programs in accordance with OMB Circular A-133, if applicable, and for complying with any federal or other auditing requirements associated with the receipt of federal funds administered by WDBCCC.

VI. SUBRECIPIENT MONITORING

Subcontractor understands and agrees that it is a Subrecipient of this Subaward of federal funds, and as such must comply with federal statutory and regulatory requirements. The executed contract between Rubicon and Contra Costa County (County) together with its addenda, exhibits, amendments, changes and incorporated documents, including but not limited to WIOA Special Conditions 11-2017, constitute the "Contract Documents." The Contract Documents are attached as Attachment E.

Subcontractor understands and agrees that as a subrecipient of federal funds, it is responsible for complying with all terms and conditions in the Contract Documents between Rubicon and County, which are incorporated by reference, except those items that are specific to Rubicon as contractor thereunder.

Rubicon will monitor Subcontractor and all subrecipients consistent with the requirements set forth in the Federal Rules and applicable sections of the CFR, including 2 CFR §200 (Uniform Guidance). Subcontractor further understands and agrees that it is obligated to comply with all federal, state or other laws, regulations, special conditions and directives applicable to the receipt of federal funds paid to Rubicon pursuant to the contract between Rubicon and County. Subcontractor acknowledges it has inspected, or will inspect upon their availability, the Contract Documents pertinent or applicable to its scope of work and its rights and responsibilities under this Agreement.

VII. ROLES AND RESPONSIBILITIES

The services to be provided through the ACTION program are generally described in the application submitted to WDBCCC in February 2018. The roles and responsibilities of Rubicon and Subcontractor are set forth in Attachment A, Scope of Work. Subcontractor's performance outcomes are also set out in Attachment A.

The scope of work will be reviewed annually, prior to the end of the current Program year. If the contract is renewed for a subsequent year and Rubicon determines that a material change is needed in Subcontractor's scope of work, a new or modified scope of work will be developed and agreed to between the parties. The budget for the Program year may be modified to reflect the new or modified budget or scope of work. If after making good faith efforts to reach mutual Agreement the parties cannot agree on a new or modified scope of work and/or a modified budget, Rubicon shall retain final decision making authority.

VIII. DATA COLLECTION AND EVALUATION

Subcontractor will collect and maintain data and records necessary to document services, individuals served, outcomes and any other information set forth in the Scope of Work or which Rubicon or WDBCCC require to fulfill the terms of the contract between Rubicon and WDBCCC.

The processes, procedures and manner of information collections and retention is outlined in Quality Assurance guidelines that will be provided

IX. COMMUNICATIONS

Internal Communications: Lead staff from Rubicon and Subcontractor will meet regularly to assess program implementation progress, ensure effective collaboration among our respective program staff, provide respective feedback and make any needed adjustments to the implementation plan. Subcontractor will participate in CCWC Steering Committee meetings with other Subcontractor partners or key stakeholders to ensure the program's effective operation as reasonably requested by Rubicon.

External Communications: All external communications must be conducted in accordance with the requirements of the WDBCCC, the Contract Documents, and CCWC Agreements. Please see attached county contract for reference.

VIII. CONFIDENTIALITY

Subcontractor as subrecipient to Rubicon, shall comply with all confidentiality and privacy protections as required and set forth in the Contract Documents as applicable to Rubicon as subrecipient to County. (See Special Conditions, Workforce Innovation and Opportunity Act of 2014, Section 15.) Subcontractor shall also comply with all applicable Federal, State and Local Privacy laws.

IX. OTHER TERMS

Indemnification: Each party shall indemnify and hold the other party and its officers, agents and employees free and harmless from all liabilities and claims, causes of action, costs, losses, attorneys fees, damages or expenses of any kind which arise or are alleged to arise from the negligent or willful acts, whether foreseeable or unforeseeable of the first party, its officers, agents and employees, contractor and independent contractors.

Insurance: Both parties shall maintain during the term of this Agreement, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with activities and operations. The cost of such insurance shall be borne by each party. Insurance coverage must include: (1) comprehensive liability insurance (General Liability), including coverage for owned and non-owned automobiles used in performing services under this Agreement, if any, and, if applicable, professional liability insurance with a combined single limit of \$1,000,000 per occurrence and an aggregate annual limit of \$2,000,000; and, (2) Workers Compensation Insurance and Employers Liability Insurance as required by law in the State of California. Subcontractor shall name Rubicon as an additional insured to its General Liability policy for services or work performed in connection with this agreement and provide a Certificate of Insurance with endorsement. Subcontractor shall notify Rubicon of any changes in insurance coverage within 10 days of the change and shall name Rubicon as a party to be notified by the insurance carrier in the event of any material change in the policy if the insurance carrier provides the notification service.

Confidentiality: Rubicon and Subcontractor agree that by virtue of entering into this Agreement they will need to have access to certain confidential information regarding the other party's operations related to this project. The Parties agree that they will not at any time disclose confidential information of the other party without the consent of that party unless such disclosure is authorized by this Agreement or required by law.

Record Retention: By signing this Agreement, Rubicon and Subcontractor agree to retain all records pertinent to this Agreement for period of five years after final payment or for a longer period of time if required by WDBCCC.

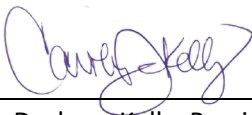
Nondiscrimination: There shall be no discrimination against any persons on account of race, color, national origin, age, religion, ancestry, sex, marital status, physical or mental disability, familial status, source of income, religious or political affiliation, sexual orientation, medical condition, participation in or eligibility for a housing assistance program, or other arbitrary basis in the operations of the Project described in this Agreement.

Severability: In the event any provision of this Agreement shall be found to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity, legality, and enforceability of the remainder of this Agreement.

Affiliation of Agencies: Nothing contained in this Agreement shall be construed to make the Parties a partner, employee, or agent of the other, nor shall the Parties to this Agreement have any authority to bind the other in any respect, it being intended that each shall remain an independent agency.

Signatories certify that they are authorized to enter into contracts on behalf of Rubicon and Subcontractor, respectively.

RUBICON PROGRAMS INC.

By:  _____
Carole Dorham-Kelly, President & CEO

Date: 9-28-2026

SUBCONTRACTOR

San Pablo Economic Development Corporation

By: _____
Leslay Choy, Executive Director

Date: _____

ATTACHMENT A SCOPE OF WORK

Rubicon Programs will:

1. Provide overall project leadership, including administrative and fiscal management and project oversight, coordinating evaluation and reporting systems, convening regular meetings of the CCWC ACTION team.
2. Be responsible for all reporting relating to the ACTION contract to the CCCWDB.
3. Be responsible for program monitoring with the objective of ensuring that all performance provisions set forth by the Grant are met. Program monitoring may include review of back-up documentation for reporting progress towards meeting service and outcome objectives.
4. Provide Staff Training and Technical Assistance.

San Pablo EDC will:

1. Deliver outreach and information services in support of WIOA enrollments, including the provision of WIOA orientation and enrollment support at Contra Costa College and for New Horizons CDC, as scheduled.
2. Maintain records of workshop attendance and survey feedback. Submit forms monthly to Rubicon. Workshop attendance submissions must include, but not limited to, WIOA orientation and Connect to Opportunity workshops.
3. Meet Individual Service Enrollments: 70, with an aim of 5 (of 70) to be initiated at New Horizons Career Development Center or with Rodeo residents through other Rodeo-centric partners; and 15 to be initiated at Contra Costa College.
4. Aim to reach targeted Individual enrollments: 57 Adults; 13 Dislocated Workers.
5. Aim for 75% of individual enrollments to meet WIOA priority populations.
6. Participate in CCWC Steering Committee Meetings.
7. Participate in CCWC WIOA trainings as scheduled (e.g., QA and case manager support sessions).
8. Collect and enter required documents in CalJOBS as required by CCCWDB and Rubicon.
9. Participate in any CCWC evaluation activities, as reasonably requested.

ATTACHMENT B

INVOICING AND FISCAL REPORTING RESPONSIBILITIES

All fiscal reports and original signed invoices from Subcontractor must be submitted to: Budget & Billing Department, Rubicon Programs, 2500 Bissell Ave., Richmond, CA 94804. Copies of fiscal reports, signed invoices and supporting documentation can be scanned and emailed to the Contract Billing Analyst. Subcontractor will submit required invoices no later than the 15th day after the end of the reporting period.

Subcontractor will prepare required fiscal reports and invoices using the forms provided by Rubicon (sample invoice form provided below). Reports and invoices will include actual expenditures incurred during the specified period.

Upon approval of Subcontractor's invoice and supporting documentation, Rubicon will pay Subcontractor for authorized costs reimbursed by the County within thirty days of receipt of subcontractor's invoice or within 15 days of receipt by Rubicon of the payment from the County, *whichever is later*. Under special circumstances and upon demonstration of financial necessity, Subcontractor may request payment on its invoice prior to receipt by Rubicon of payment from the County. Rubicon will attempt to accommodate such requests when possible, but reserves the right to deny such requests in its sole judgment and discretion.

Subcontractor Executive Director, CFO, or other authorized signer must certify each invoice.

Subcontractor may adjust line items within the existing budget (Attachment C) with prior written approval from Rubicon. Modification form will be provided upon request.

Subcontractor must submit supporting documentation with each invoice. Documentation shall include, but not be limited to vendor invoices, receipt/proof of payment for purchases and all expenses incurred, and payroll records. All charges incurred shall be due and payable only after services have been rendered.

Subcontractor shall supply additional specific documentation when requested by Rubicon.

Subcontractor must keep and make available as requested such supporting documentation for all expenditures for which reimbursement is requested for all costs so claimed.

Subcontractor shall submit a final invoice reflecting actual expenditures, which will be supported by the Contractor's accounting records, within 30 days of the end of the contract period. Any expenses submitted after the 30 days following the fiscal year end will not be paid.

Failure to submit required reports or documentation by specified deadlines may result in withholding of contract payments. Failure to meet contract performance goals will result in a corrective action plan, withholding of contract payments in full or part and / or termination of contract.

INVOICE TEMPLATE

The invoice template will be provided electronically as an Excel spreadsheet. EDC staff are well-versed in the template and process.

ATTACHMENT C
BUDGET

(to be attached following WDBCCC approval)

FEDERAL SUBAWARD CONDITIONS

2 CFR §200.331(a)

- I. The contract meets the conditions of a Federal subaward and the Subcontractor is subject to the Subrecipient provisions in 2 CFR §200.
- II. Definitions:
 - A. CFR means Code of Federal Regulations
 - B. CFDA means Catalog of Federal Domestic Assistance
 - C. Subrecipient -- Title 2 CFR §200.93
Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.
 - D. Subaward -- Title 2 CFR §200.92
Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.
 - E. Pass-through Entity -- Title 2 CFR §200.74
Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.
- III. The pass-through entity for purposes of this Subcontract is Rubicon Programs. Rubicon Programs receives the funding through the pass-through entity, Workforce Development Board of Contra Costa County.
- IV. The Subrecipient is **San Pablo Economic Development Corporation (SPEDC)**
- V. The Subrecipient's DUNS number is 0787859490000.
- VI. If applicable, the Federal Award Date is 7/1/2026
- VII. If applicable, the Federal Award Identification Number {FAIN} is AA-28305-16-55-A-6.
- VIII. The Subaward Period of Performance is from 7-1-26 to 06-30-27.
- IX. The total amount of Federal Funds Obligated to the subrecipient in this Federal subaward award is **\$129,700.**
- X. The CFDA Number is 17.258 & 17.278.
- XI. The Federal Program Title is WIOA Adult & WIOA Dislocated Worker.
- XII. The Subrecipient's federally approved indirect cost rate agreement is incorporated by reference if the Subrecipient's budget submitted includes a federally approved indirect cost.
- XIII. The Subrecipient shall use the Federal award in accordance with Federal statutes, regulations and the terms and conditions of the Federal award.

-- ATTACH CONTRACT WITH COUNTY AND SELECTED ATTACHMENTS UPON WDBCCC APPROVAL