

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Social Services	(2) MEETING DATE 8/12/2014	(3) CONTACT/PHONE Dawn Boulanger 781-1835	
(4) SUBJECT Request to approve the Workforce Investment Act (WIA) subgrant agreement with the State of California for the receipt of Youth funds in the amount of \$755,828 and approve the plan for the Fiscal Year 2014-2015 WIA formula funds budget totaling \$2,033,857 and approve a resolution delegating signatory authority for all WIA administrative documents to the Social Services Director. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board (1) Approve and instruct the Chairperson to sign the Workforce Investment Act (WIA) subgrant agreement (K594794) with the State of California Employment Development Department for receipt of WIA Youth funds, and (2) Approve the plan for the FY 2014-2015 WIA formula funds budget totaling \$2,033,857, and (3) Approve a Resolution delegating signatory authority for all Workforce Investment Act (WIA) administrative documents including plans, modifications, and adjustments in connection with this subgrant agreement as required by the State of California Employment Development Department, the United States Department of Labor, or any other federal agency to the Social Services Director.			
(6) FUNDING SOURCE(S) WIA Federal Funds	(7) CURRENT YEAR FINANCIAL IMPACT \$2,033,857	(8) ANNUAL FINANCIAL IMPACT \$2,033,857	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>08/27/2013</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Emily Jackson			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Social Services / Dawn Boulanger
781-1835

DATE: 8/12/2014

SUBJECT: Request to approve the Workforce Investment Act (WIA) subgrant agreement with the State of California for the receipt of Youth funds in the amount of \$755,828 and approve the plan for the Fiscal Year 2014-2015 WIA formula funds budget totaling \$2,033,857 and approve a resolution delegating signatory authority for all WIA administrative documents to the Social Services Director. All Districts.

RECOMMENDATION

It is recommended that the Board

- (1) Approve and instruct the Chairperson to sign the Workforce Investment Act (WIA) subgrant agreement (K594794) with the State of California Employment Development Department for receipt of WIA Youth funds, and
- (2) Approve the plan for the FY 2014-2015 WIA formula funds budget totaling \$2,033,857, and
- (3) Approve a Resolution delegating signatory authority for all Workforce Investment Act (WIA) administrative documents including plans, modifications, and adjustments in connection with this subgrant agreement as required by the State of California Employment Development Department, the United States Department of Labor, or any other federal agency to the Social Services Director.

DISCUSSION

On March 11, 2008, your Board designated the Department of Social Services (DSS) as the Administrative Entity and Fiscal Agent for the local workforce investment area. In this capacity, DSS receives WIA funds directly from the State, distributes funds to program providers and provides administrative and fiscal support and oversight of WIA programs and operations.

Approval of this item will allow the County to receive WIA Youth funds from the State of California. WIA Youth funds are intended to support employment, training, and education services to youth. This WIA Youth subgrant agreement is the foundation document for receipt of all WIA formula funds. The State releases the other formula WIA allocations to the County as unilateral modifications to this subgrant agreement. A modification to this agreement incorporating WIA Adult, Dislocated Worker, and Rapid Response funds for program year 2014-2015 will occur upon this agreement being executed.

Approval of the attached Resolution delegating signatory authority to the Social Services Director for all WIA administrative documents is pursuant to direction from the State, and will mean that no further action by the Board will be necessary to receive the FY 2014-2015 Adult, Dislocated Worker, and Rapid Response WIA formula funds.

The WIA funds are 100% federally funded and distributed to the states for allocation to counties via subgrant agreements. The total funding allocated for FY 2014-2015 is \$2,033,857 which is \$101,133 less than FY 2013-2014 or a net decrease of approximately 5% and is reflective of a general reduction in WIA funding across the state. Funding allocations for the local area in a given year depend upon the dollars allocated to California from the Federal Government and the

percentage of that allocation that is awarded to a local area. A local area's percentage is based on the number of unemployment insurance claims, the unemployment rate, and the number of economically disadvantaged adults and youth in the local area.

These funds will be used to support WIA direct service programs and administrative and fiscal costs. The allocation for each fund stream is detailed below:

Fund Stream	Total Allocation	Comments
Adult	\$585,074	Confirmed via notice from the State
Dislocated Worker	\$563,717	Confirmed via notice from the State
Youth	\$755,828	Confirmed via notice from the State
Rapid Response	\$129,238	Confirmed via notice from the State
Total	\$2,033,857	Uses of funds are detailed below

Direct Service Costs

Of the total FY 2014-2015 funding allocated to the Adult, Dislocated Worker, and Youth fund streams, your board approved a contract, in the amount of \$1,399,046 for WIA Adult, Dislocated Worker, and Youth services with Goodwill Industries on July 22, 2014 (see table below). This contract total included a \$20,000 contribution from DSS in addition to the WIA allocations. As stated in the Board letter dated July 22, 2014 regarding the contract, the contribution from DSS as a co-located partner at the job center, supports facilities costs in maintaining operations of the Five Cities site.

Fund Source	Use	Recipient	Comments
Adult \$366,104	One-Stop operation and direct services to eligible adults	Contract with Goodwill Industries	RFP completed in early 2012
Dislocated Worker \$402,917	One-Stop operation and direct services to eligible dislocated workers	Contract with Goodwill Industries	RFP completed in early 2012
Youth \$610,025	Direct Services to eligible in-school and out-of-school youth ages 16-21	Contract with Goodwill Industries	RFP completed in early 2012. Goodwill will subcontract for services with Cuesta College.
*\$1,399,046 Total Goodwill Contract			
(*includes \$20,000 contribution from DSS described above)			

Rapid Response

The California State WIB has recently outlined changes regarding rapid response and layoff aversion activities and reporting. These changes include identification and reporting of new outcome/performance measures which will require modifications to how these services have been delivered locally. The Administrative Entity is considering options for strategic approaches to service implementation to meet the new directions of the State WIB and has yet to make a recommendation to the SLO WIB regarding the most impactful use of these limited funds.

Fund Source	Use	Recipient	Comments
Rapid Response \$79,238	Direct services to employers and workers in response to layoffs. Direct services to businesses to assist with layoff aversion, retention, and expansion.	TBD	Administrative Entity is integrating new direction from State WIB into comprising recommendation to SLO WIB for strategic use of funds.
\$79,238	Total Rapid Response Direct Services		

The remaining FY 2014-2015 allocation will be used for operating costs.

Operating Costs

In FY 2014-2015, the WIB set-aside budget, operating costs, and administrative entity and fiscal agent staff salaries will be funded with the remaining funds. These costs are outlined in the table below:

Use of Funds	FY 2013-14	FY 2014-15	Comments
WIB Set Aside	\$53,705	\$40,750	Planning and development, outreach (sponsorship of job fairs), program expansion (funding new initiatives), and member conference and travel costs.
DSS Admin Entity/ Fiscal Agent Salary Costs	\$352,862	\$504,323	Staff positions include the following: <ul style="list-style-type: none"> • 1 FTE Administrative Services Manager (WIA Services Manager) • 1 FTE Program Manager I • 2 FTE Program Review Specialists • 1 FTE Administrative Assistant III to support the WIB • .07 FTE Departmental Administrator (fiscal staff) • .01 FTE Administrative Services Officer II (fiscal staff)
DSS Operating Costs	\$38,000	\$19,700	Costs include: County Auditor services for annual fiscal compliance review, staff travel, and CA Workforce Association registration. Reductions in this category are due a revised, more accurate estimate of auditor costs and a decrease in planned travel costs for FY 14-15.
Services and Systems Costs/ Purchase Orders	\$152,259	\$10,800	This cost category was added in FY 13-14 to detail costs that benefit the WIA system as a whole, and are not specifically DSS costs. These costs are for a labor market software subscription. Costs are less this year as the local area is now working directly with the newly revised state data tracking/case management system (CalJobs) and no longer purchasing an independent subscription to this type of software (Virtual One-Stop/VOS).
TOTAL:	\$596,826	\$575,573	

WIA requires extensive oversight including programmatic and operational support to include annual program compliance monitoring reviews of all WIA subcontractors, staffing the WIB and its committees, the provision of technical support to service providers, and management information system administration for tracking and reporting services provided to WIA customers. Local administration of the WIA also requires fiscal support and financial oversight including budgeting, competitively procuring WIA services, managing WIA service contracts, issuing purchase orders, accounts payable, participating in annual fiscal compliance reviews by the State, fiscal reporting to the State, and outside audit resolution. Therefore, \$504,323 is earmarked to contribute towards costs incurred by the DSS for administrative entity and fiscal agent services including salary costs for all WIA program staff responsible for these administrative, programmatic, and fiscal oversight and support activities. These costs are greater than the prior year due in part to the County picking up 30% of staff costs in FY 13-14 due to funding limitations resulting from the sequester and government shutdown.

To cover DSS operating expenses, \$19,700 is earmarked. These operating costs include California Workforce Association dues for the WIB, staff travel, supplies, training, and County Auditor services for annual fiscal and procurement monitoring of WIA subcontractors. A new cost category, Services and Systems costs, was added for FY 13-

14 which includes \$10,800 to cover costs incurred by services which benefit the WIA system as a whole and not DSS specifically. This allows for further detail on how funding is allocated to cover system-wide service costs which this year is comprised entirely of a labor market software subscriptions.

OTHER AGENCY INVOLVEMENT/IMPACT

The Workforce Investment Board (WIB) of San Luis Obispo County participates in oversight of all WIA funded programs. County Counsel has reviewed and approved the resolution.

FINANCIAL CONSIDERATIONS

The WIA formula budget estimate of \$2,033,857 was included in the DSS Adopted budget for FY 2014-2015. This item will have no impact on the County's General Fund.

RESULTS

Approval of this item will allow the County to receive WIA funds from the State, comply with State instructions to provide a Resolution assigning signatory authority for WIA agreements, and comply with WIA regulations requiring the chief local elected officials' approval of the WIA budget.

ATTACHMENTS

1. Resolution
2. WIA Subgrant Agreement