

# Riverside County Economic Development Agency Workforce Development Division

## WIB Financial Outlook Report FY12/13 & FY13/14 *(As of 06/30/2013)*



# WIB Financial Outlook Report

## FY11/12 & FY12/13

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# WIB Financial Outlook Report

## FY12/13 & FY13/14

### Executive Summary

The County of Riverside Economic Development Agency Workforce Development Centers (WDC) provides various employment related services to the residents and businesses of the County of Riverside, utilizing various funding sources awarded by several funding streams including United States Department of Labor, Workforce Investment Act funds (WIA). The federally funded award, WIA, is provided to WDC through a Subgrant Agreement entered with the State of California, Employment Development Department (EDD) on an annual basis. Periodically, WDC may receive additional funding awards from EDD or other organizations.

WDC incorporates anticipated funding awards and plans for utilization of funds into the annual county budget. Governmental Code §29120 limits expenditures to only those amounts approved by the Board of Supervisors in the annual budget (as originally adopted, or through amendments to the budget as approved by Board action).

All cost incurred within the WDC budget unit comply with the Office of Management and Budget (OMB) Circular A-87 (2 CFR Part 225), Cost Principle for State, Local, and Indian Tribal Governments which establishes the principles and standards for determining both direct and indirect costs applicable to Federal awards to government units. WDC has an approved annual Cost Allocation Plan in accordance with OMB A-87 that summarizes the methods and procedures that WDC will use to distribute various cost objectives (Programs, Grants, Partners, etc.).

The WIB Financial Outlook Report is a managerial report and it is intended to provide a financial illustration of planned funds utilization for current and future operations. The report provides the funds utilization plans for all income streams received or awarded to WDC. For Fiscal Year 2012/2013, the report was prepared using reconciled actual expenditures from July 1, 2012 through June 30, 2013. The Fiscal Year 2013/2014 portion of the report was prepared using budgeted expenditures for the fiscal year. The report covers six main elements discussed in Section I of the executive summary. Section II of this executive summary provides brief descriptions of the core functions of the main funding sources awarded to WDC. Section III covers definitions of terms used throughout the report.

#### **I. FY 12-13 & FY 13-14 Summary Budget Overview**

##### **a. Adult/Dislocated Worker At-a-Glance Funds Utilization Plan**

Funds utilization for FY12/13 was \$15,908,123 and for FY13/14 is anticipated at \$15,178,778.

WDC is required to utilize 25% of the annual allocation on client training in compliance with Senate Bill (SB) 734. Leverage resources at a maximum of 10% can be utilized to meet this requirement. For FY12-13, WDC obligated \$3,509,549 (26%) and FY13-14, WDC has planned to also meet the 25%.

**b. Youth At-a-Glance Funds Utilization Plan**

Funds utilization for FY12/13 was \$5,502,084 and for FY13/14 is anticipated at \$7,833,525. Over 70% of the WIA youth funds is sub-awarded to the Youth Opportunity Center operators for both program years.

**c. Business Services Funds Utilization Plan**

Funds utilization for FY12/13 was \$2,308,691 and for FY13/14 is anticipated at \$1,966,059. These amounts cover the staffing and associated operating costs which are typically funded with a combination of WIA Rapid Response, Adult, Dislocated Worker funds, and other available funding sources. The Business Services Unit provides numerous services to employers to help them maximize their success (Recruitment, Outplacement Services, etc.).

**d. Historical WIA Allocations**

WIA Allocations received through the sub-grant agreement with EDD for Program Year 2012 and 2013 is anticipated at \$20,381,889 and \$20,734,258, respectively. For Program Year 2013, WDC is expecting an overall slight increase of nearly 1.7%, \$352,369 from program year 2012. At this time, other WIA funding has not been awarded for both PY2012 and PY2013 through the sub-grant agreement with EDD.

**e. Summary of Available Funding and Funds Utilization Plan**

Total available funding for FY12/13 was \$25,145,980 and for FY13/14 is anticipated at \$28,256,006.

Carry-in funds to FY12/13 was \$9,015,876. Expected carry-in for FY13/14 and FY14/15 are estimated at \$12,325,856 and \$6,721,036, respectively. WDC is anticipating \$134,450 from other funds (not awarded through the sub-grant agreement) from Employment Training Panel (ETP) and Re-entry programs for FY13/14. Reimbursements from partners, tenants, and other county departments to cover for usage of space and other resources is anticipated at \$1,782,478 for FY13/14.

**f. WDC Funds Utilization by Account**

Total planned funds utilization for FY12/13 was \$25,145,980 and for FY13/14 is anticipated at \$28,256,006.

Personnel costs are estimated at \$10,073,200 for FY13/14. This is an overall decrease of \$1,176,798 due to decrease in personnel. WDC is expecting to have total of 126 direct positions.

**II. Core Functions and Description of Main Funding Sources**

**WIA Adult:** This is a formula grant allocation by the Secretary of Labor to the States for subsequent allocation to the Workforce Investment Boards (WIB) for the purpose of providing programs to prepare adults for participation in the labor force by increasing occupational and educational skills, resulting in improved long-term employability, increased employment and earnings, and reduced welfare dependency.

**WIA Dislocated Worker:** The purpose of this grant is to provide to eligible individuals training, re-training, need related payments, job research assistance, outreach, placement, recruitment, testing and assessment, occupational or entrepreneurial training, relocation, and other aid to individuals who are affected by mass layoffs or reside in areas of high unemployment. Based on Workforce Investment Act Title B, an individual registered as dislocated workers must be eligible in accordance with the basic eligibility requirements (age, selective service registration and citizenship, or eligible non-citizen), as well

as, the basic eligibility criteria for dislocated criteria for dislocated workers (terminated or laid-off, displaced homemaker, etc.) as defined in WIA Section 101(9).

**WIA Youth:** The intention of this program is to improve the long term employability of youth, enhance their educational, occupational, and citizenship skills, encourage school completion or enrollment in alternative school programs, increase employment and earnings, reduce welfare dependency, and address the problems that impair youth's ability to successfully transition from school to work, apprenticeship, the military, or post-secondary education and training.

**WIA Rapid Response:** This program is to assist local dislocated workers upon notifications of projected permanent closure or substantial layoff. These funds will allow information and access to available public programs and services, and emergency assistance adapted to the specific closure or layoff.

**DOL Workforce Innovation Fund:** The intention of this program is to develop and expand innovative strategies to help Americans return to work by delivering services more efficiently, facilitating cooperation across programs and funding streams, and focusing on partnerships with specific employers or industry sectors to develop programs that reflect current and future skill needs. It was created to cultivate and test innovative approaches to workforce training and encourage the replication of evidence-based practices in the workforce development field. WDC is collaborating with the County of San Bernardino, Department of Workforce Development and the Imperial County Workforce Development Board on this project which will serve 675 disconnected young adults, age 18 to 24, who are low-income, gang-involved, ex-offenders, on aid, recently separated veterans, unemployed and not attending school.

### III. Definition of Terms used in the Report

**Admin Cost:** Administrative costs are the portion of necessary and allowable costs that are associated with the overall management and administration of the Program and are not directly related to the provision of the Program (20 CFR §667.210 and §667.220). Costs associated with the Workforce Investment Board are also captured in the administration cost pool. In the case of Adult, Youth and Dislocated Worker Programs, WIA Title 20 CFR 667 regards the administration limitation up to 10% of the aggregate amount received from all three funding sources.

**Program Cost:** Program expenditures are directly related to the provision of the program and not related to the overall management and administration of the program.

**Available Funding Sources:** Available funding sources include Carry-in, Current Year Allocations and Carry-Over funds. Estimated Carry-in represents the unexpended balances from previous year's allocation. Current Year Allocations represents the amounts awarded or received during the fiscal year. Estimated Carry-over represents the unexpended balances from a current fiscal year to be utilized in a future fiscal year.

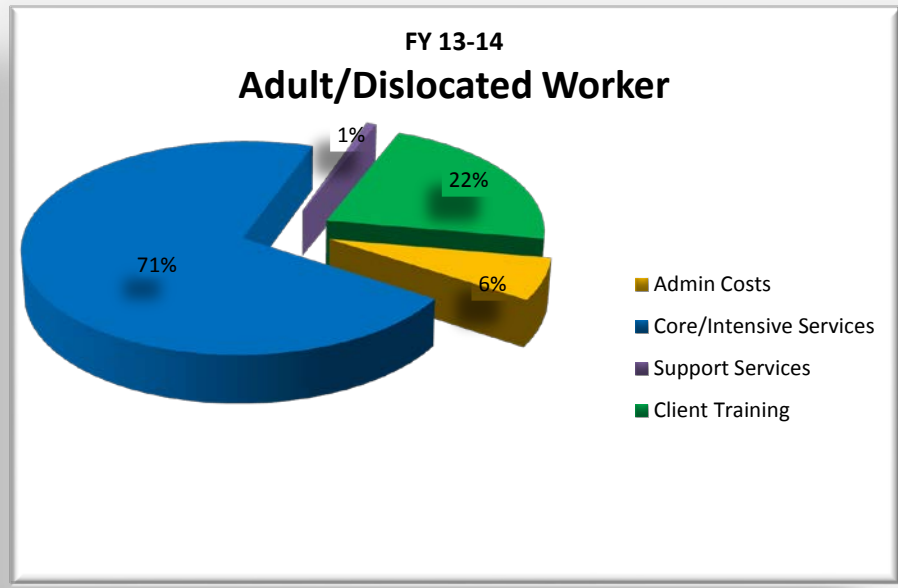
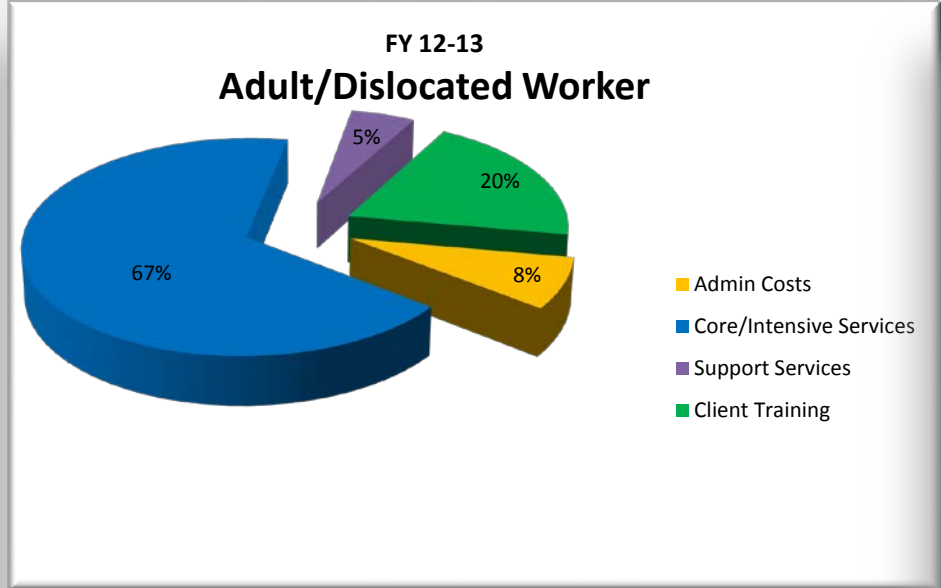
**Funds Utilization:** Funds Utilization may include actual expenditures for a certain accounting period plus plans for expenditures and obligations. Actual expenditures include cash expenditures that have been paid during the current fiscal year. Planned expenditures and obligations represent planned and/or estimated expenditures for future periods.

## Adult/ Dislocated Worker At-a-Glance Funds Utilization Plan

	FY 12/13	%	FY 13/14	%
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			Budget	
<b>Status of 25% Training Requirement:</b>				
Annual AD/DW Allocation	13,453,613		13,447,887	
Training Requirement (25% of AD/DW)	3,363,403		3,361,972	
Total Client Training Obligated (AD/DW)	3,117,932		2,017,183	
Total Client Training (Other Resources)	391,616		1,344,789	
<b>Total Obligated for Training</b>	<b>\$ 3,509,549</b>	<b>26%</b>	<b>\$ 3,361,972</b>	<b>25%</b>

<b>Admin Costs</b>	\$	1,220,801	8%	\$	967,871	6%
<b>Program Costs:</b>						
Core/Intensive Services		10,728,279	67%		10,805,210	71%
Support Services		823,928	5%		124,128	1%
Client Training		3,135,115	20%		3,281,569	22%
<b>Total Program Costs</b>	<b>\$</b>	<b>14,687,322</b>		<b>\$</b>	<b>14,210,907</b>	
<b>Total Admin and Program Costs</b>	<b>\$</b>	<b>15,908,123</b>	<b>100%</b>	<b>\$</b>	<b>15,178,778</b>	<b>100%</b>

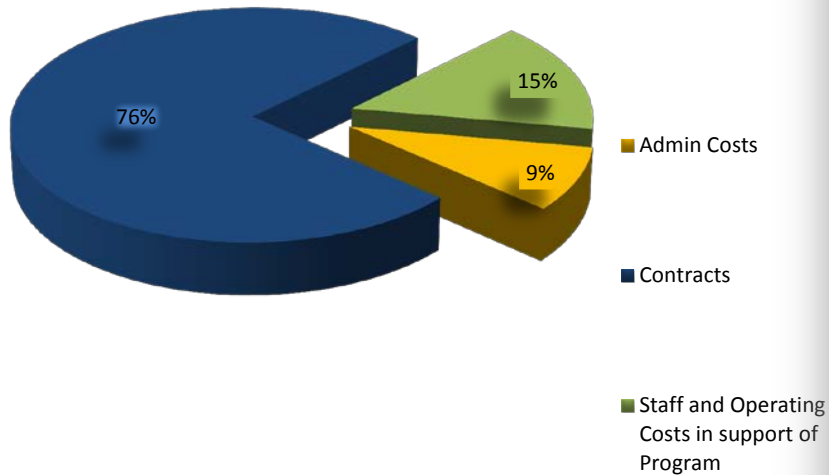


## Youth

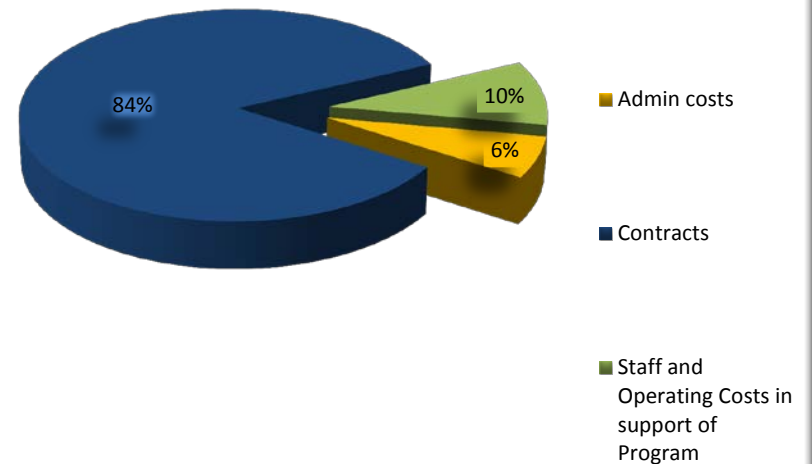
### At-a-Glance Funds Utilization Plan

	FY 12/13	%	FY 13/14	%
	<i>Year-End Projection</i>		<i>Budget</i>	
<b>Admin Costs</b>	\$ 481,164	9%	\$ 492,353	6%
<b>Program Costs:</b>				
Contracts	4,179,829	76%	6,570,740	84%
Staff and Operating Costs in Support of Program	841,091	15%	770,432	10%
<b>Total Program Costs</b>	<u>\$ 5,020,920</u>		<u>\$ 7,341,172</u>	
<b>Total Admin and Program Costs</b>	<u>\$ 5,502,084</u>	100%	<u>\$ 7,833,525</u>	100%

FY 12-13  
Youth



FY 13-14  
Youth



## Business Services

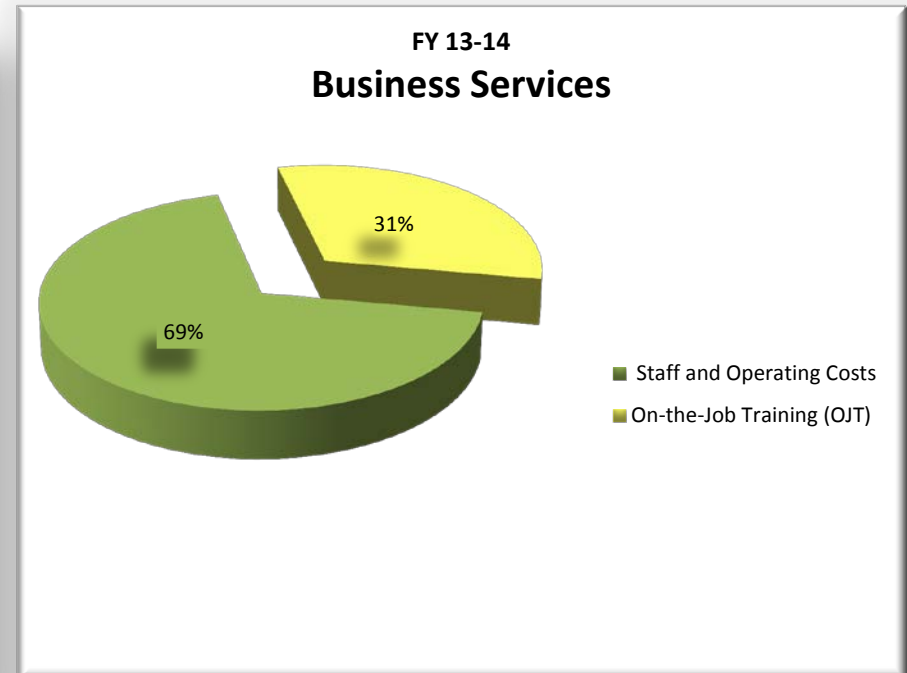
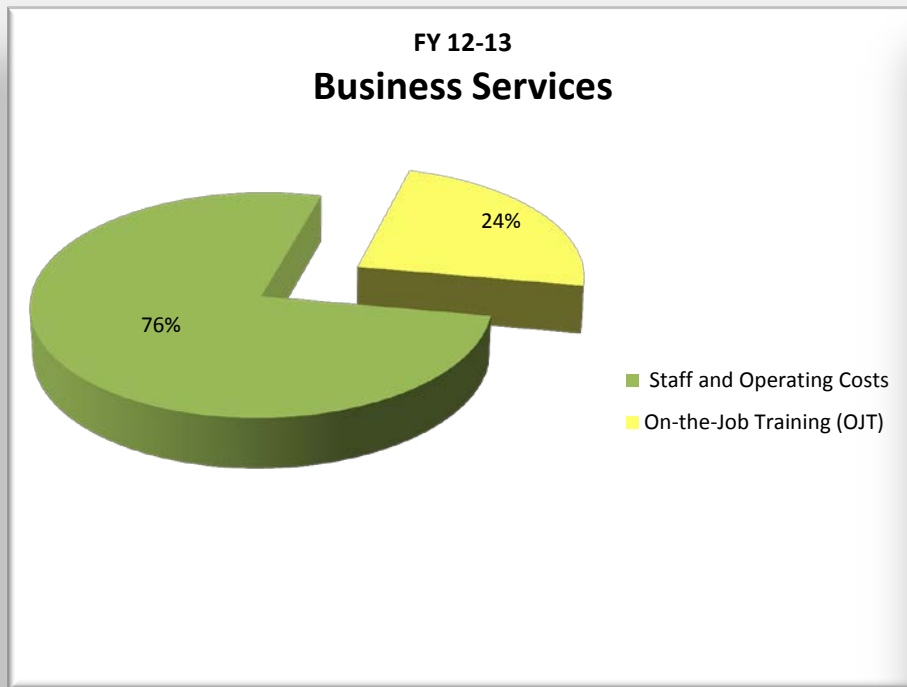
### At-a-Glance Funds Utilization Plan

	FY 12/13	%	FY 13/14	%
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*Budget*

**Business Services Cost:**

Staff and Operating Costs	1,765,509	76%	1,349,512	69%
On-the-Job Training (OJT)	543,182	24%	616,547	31%
<b>Total Business Services Costs</b>	<b>\$ 2,308,691</b>	<b>100%</b>	<b>\$ 1,966,059</b>	<b>100%</b>



**Remarks:**

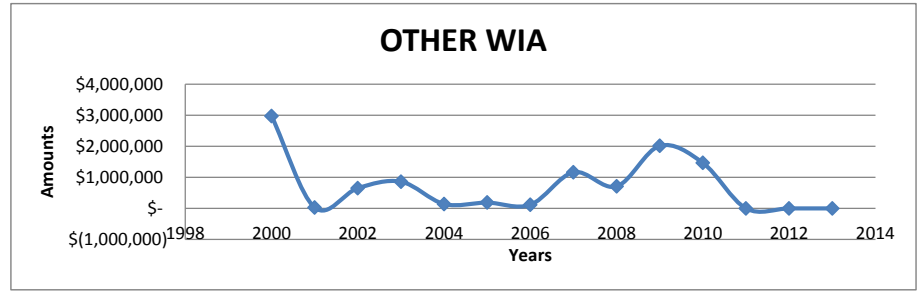
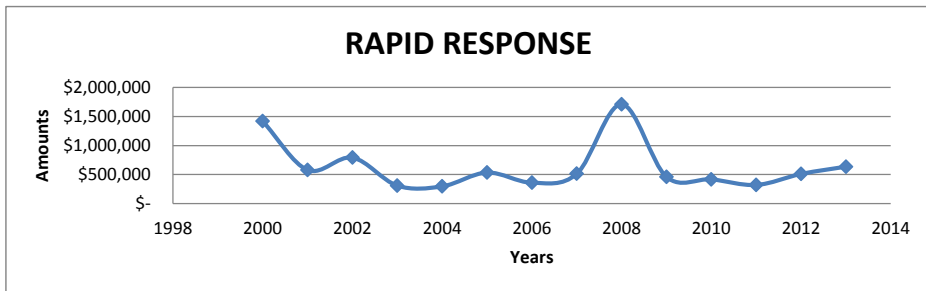
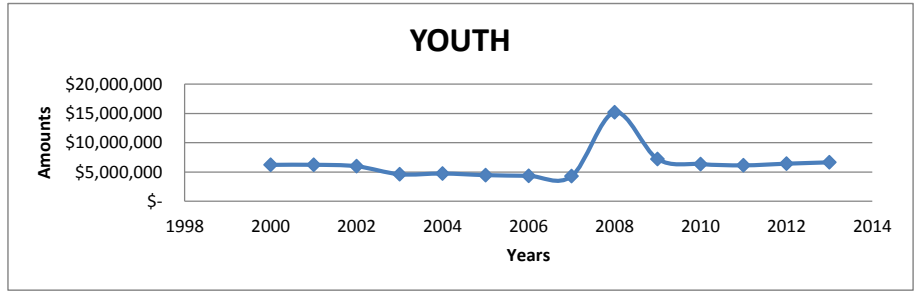
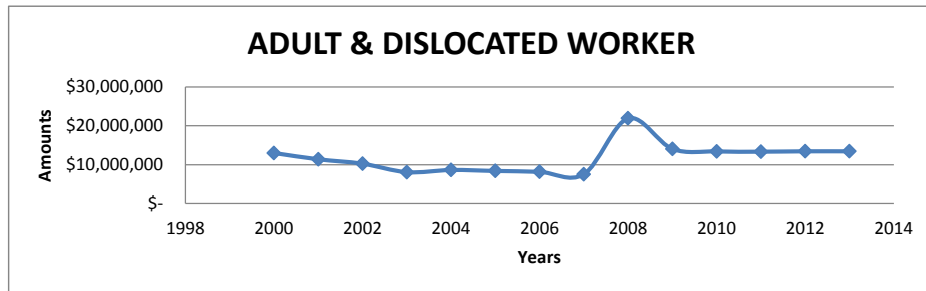
These amounts cover the staffing and associated operating costs which are typically funded with a combination of WIA Rapid Response, Adult, Dislocated Worker Funds, and other available funding sources.





Riverside County Economic Development Agency - WDC  
 Historical WIA Allocations Received through EDD

Year	Grant Award	ADULT & DISLOCATED WORKER	YOUTH	RAPID RESPONSE	OTHER WIA
2000	\$ 23,625,960	\$ 13,015,429	\$ 6,214,722	\$ 1,416,828	\$ 2,978,981
2001	\$ 18,237,287	\$ 11,398,057	\$ 6,231,095	\$ 579,265	\$ 28,870
2002	\$ 17,688,192	\$ 10,263,884	\$ 5,978,734	\$ 791,487	\$ 654,087
2003	\$ 13,878,664	\$ 8,093,762	\$ 4,613,324	\$ 309,841	\$ 861,737
2004	\$ 13,827,913	\$ 8,648,555	\$ 4,739,855	\$ 297,408	\$ 142,095
2005	\$ 13,587,158	\$ 8,401,927	\$ 4,463,363	\$ 535,014	\$ 186,854
2006	\$ 13,001,340	\$ 8,175,254	\$ 4,348,440	\$ 360,620	\$ 117,026
2007	\$ 13,525,612	\$ 7,567,274	\$ 4,278,881	\$ 513,576	\$ 1,165,881
2008	\$ 39,523,922	\$ 21,918,626	\$ 15,186,631	\$ 1,708,888	\$ 709,777
2009	\$ 23,769,177	\$ 14,067,265	\$ 7,223,008	\$ 461,207	\$ 2,017,697
2010	\$ 21,659,469	\$ 13,422,344	\$ 6,351,359	\$ 418,376	\$ 1,467,390
2011	\$ 19,807,246	\$ 13,352,106	\$ 6,132,830	\$ 322,310	\$ -
2012	\$ 20,381,889	\$ 13,453,613	\$ 6,416,984	\$ 511,292	\$ -
2013	\$ 20,734,258	\$ 13,447,887	\$ 6,650,355	\$ 636,016	\$ -
	\$ 273,248,088	\$ 165,225,983	\$ 88,829,581	\$ 8,862,128	\$ 10,330,396



2013-2014 Funding for Rapid Response is estimated based on FY12-13 Allocated amount



Riverside County Economic Development Agency -WDC  
Summary of Available Funding and Funds Utilization Plan

	FY 2012-2013							FY 2013-2014						
	Adult/ Dislocated Worker	Youth	Rapid Rsps	WIF	Other WIA and Other Funds	Other Reimbursements	ALL Funds	Adult/ Dislocated Worker	Youth	Rapid Rsps	WIF	Other WIA and Other Funds	Other Reimbursements	ALL Funds
<b>Available Funding</b>														
Current FY Allocation	13,453,613	6,416,984	511,292	6,000,000	207,021	1,867,051	28,455,961	13,447,887	6,650,355	636,016	-	134,450	1,782,478	22,651,186
Estimated Carry In	6,065,756	2,222,013	0	-	688,017	40,089	9,015,876	3,611,247	3,136,913	144,189	5,340,591	92,917	(0)	12,325,856
Carry Over	(3,611,247)	(3,136,913)	(144,189)	(5,340,591)	(92,917)	0	(12,325,856)	(1,880,355)	(1,953,743)	(269,325)	(2,438,283)	(29,243)	(150,087)	(6,721,036)
<b>Total Available Funding</b>	<b>\$ 15,908,123</b>	<b>\$ 5,502,084</b>	<b>\$ 367,103</b>	<b>\$ 659,409</b>	<b>\$ 802,121</b>	<b>\$ 1,907,140</b>	<b>\$ 25,145,980</b>	<b>\$ 15,178,778</b>	<b>\$ 7,833,525</b>	<b>\$ 510,880</b>	<b>\$ 2,902,308</b>	<b>\$ 198,124</b>	<b>\$ 1,632,391</b>	<b>\$ 28,256,006</b>
<b>Utilization Plan</b>														
Personnel	8,996,726	1,015,193	264,408	203,421	274,925	495,325	11,249,998	8,148,819	836,147	235,133	283,738	127,730	441,632	10,073,200
Operating Exp (Direct & Indirect)	2,639,332	190,619	74,690	61,147	81,786	1,405,267	4,452,841	3,167,117	357,698	66,442	125,140	11,156	1,183,358	4,910,910
Training & Travel	94,648	43,435	6,434	26,741	2,525	6,548	180,331	143,984	12,660	1,544	4,315	127	7,402	170,031
Equipment	182,090	72,793	5,238	189	19,426	0	279,734	291,571	56,280	5,060	15,427	0	0	368,339
Contracts	36,285	4,180,045	629	367,911	221,329	0	4,806,200	21,591	6,570,740	0	2,473,688	59,110	0	9,125,129
Support Services	823,928	0	0	0	26,844	0	850,772	124,128	0	0	0	0	0	124,128
Client Training (ITA,OJT and Others)	3,135,115	0	15,704	0	175,285	0	3,326,105	3,281,568	0	202,701	0	0	0	3,484,269
<b>Total Utilization Plan</b>	<b>\$ 15,908,123</b>	<b>\$ 5,502,084</b>	<b>\$ 367,103</b>	<b>\$ 659,409</b>	<b>\$ 802,121</b>	<b>\$ 1,907,140</b>	<b>\$ 25,145,980</b>	<b>\$ 15,178,778</b>	<b>\$ 7,833,525</b>	<b>\$ 510,880</b>	<b>\$ 2,902,308</b>	<b>\$ 198,124</b>	<b>\$ 1,632,391</b>	<b>\$ 28,256,006</b>

**WDC Funds Utilization Plan**

**By Account**

Accounts	GL #	FY12-13	FY13-14
		Year-End Estimate	Budgeted
<b>Personnel</b>			
Projected Salaries & Benefits Expense - Direct	510040; 518100	9,724,669	9,421,841
Payoff Permanent/Seasonal	510200	22,641	29,782
Temporary Salaries (TAP)	510320	119,823	155,031
Workers Compensation	517000	185,587	140,920
Retiree Health Insurance	515200	14,830	15,341
Auditing And Accounting	524561	53	-
Interfund-Salary Reimbursement	537180	1,140,412	264,696
Temp Assistance Pool (TAP Admin)	525080	11,899	15,503
Temporary Help Services	525340	1,024	1,024
Salary/Benefit Reimbursement	525500	29,061	29,061
	<b>Total Personnel:</b>	<b>11,249,998</b>	<b>10,073,200</b>
<b>Operating, Staff Training, Travel and Equipment</b>			
Cellular Phone	520230	29,847	29,847
Communications Equipment - Install	520250	7,718	7,718
Telephone Service	520320	96,652	96,652
Communication Services	520330	91,890	91,890
Insurance-Liability	520930	56,317	29,390
Insurance-Property	520945	41,921	27,220
Maint-Office Equipment	521540	35,061	35,061
Maint-Telephone	521660	760	-
Maint-Blg & Improvements	522310	27,512	27,512
Memberships	523100	34,135	23,748
Bank Charges	523290	402	402
Office Supplies	523700	43,054	43,054
Postage/Mailing	523760	7,312	7,312
Printing/Binding	523800	16,039	16,039
Subscriptions	523820	293	293
OASIS Processing-Financials	525300	14,099	6,643
OASIS Processing-HRMS	525310	27,512	29,120
RMAPS Servs	525330	3,699	3,699
Security	525600	91,618	91,618
Legally Required Notices	526410	5,644	5,644
Advertising	526420	4,010	5,000
Rent/lease Equipment	526530	(1,427)	-
Rent - Lease Bldgs	526700	2,831,634	2,853,856
Special Program Expense	527780	110,615	110,615
Interfund Exp-Payroll Service Fee	536761	16,526	16,848
COWCAP	536840	64,255	86,444
Interfund-General Ofc Expense	536920	652,158	1,099,908
Interfund-Legal Services	537020	14,043	14,043
Interfund-Personnel Services	537090	80,088	98,523
Interfund-Utilities	537240	35,598	35,598
Interfund-Misc Project	537280	22,897	14,378
Program Income	595223	(11,876)	-
Training Education/Tuition	527840	25,147	15,000
Registration/Conf Fees	528140	17,571	17,571
Air Transportation	528900	15,182	15,182
Car Pool Expense	528920	91,750	91,750
Lodging	528960	19,419	19,419
Meals	528980	2,974	2,974
Misc. Travel Expense	529000	5,800	5,800
Private Mileage/Vehicle	529040	697	544
Interfund-Miscellaneous (CGE)	537080	1,792	1,792
Maint-Field Equipment	521420	2,835	2,835
Ofc Equipment Non Fixed Asset	523680	34,795	30,439
Computer Software - Equipment	523840	244,939	322,900
Equipment - Office	546140	-	15,000
	<b>Operating, Staff Training, Travel and Equipment</b>	<b>4,912,906</b>	<b>5,449,280</b>
<b>Other</b>			
Client Training (ITA,OJT and Others)	530440	3,326,105	3,484,270
Professional Services	525440	52,659	67,591
Support Services	530460	850,772	124,128
Training Provider (YOC, etc)	530300	4,753,541	9,057,537
	<b>Total Other:</b>	<b>8,983,076</b>	<b>12,733,526</b>
<b>Total Utilization Plan by Accounts</b>		<b>Actual</b>	<b>Projection</b>
		25,145,980	28,256,006