

Riverside County Economic Development Agency Workforce Development Division

WIB Financial Outlook Report FY11/12 & FY12/13 *(As of 12/31/2012)*



WIB Financial Outlook Report

FY11/12 & FY12/13

Table of Contents

	Page #
Narrative	
Adult/Dislocated Worker At-a-Glance Funds Utilization Plan.....	1
Youth At-a-Glance Funds Utilization Plan.....	2
Rapid Response At-a-Glance Funds Utilization Plan.....	3
Workforce Innovation Fund At-a-Glance Funds Utilization Plan...	4
Business Services Funds Utilization Plan.....	5
Historical WIA Allocations.....	6
Summary of Available Funding and Funds Utilization Plan	7
WDC Funds Utilization by Account	8

WIB Financial Outlook Report

FY11/12 & FY12/13

Narrative

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 2011/2012, the report was prepared using reconciled actual expenditures from July 1, 2011 through June 30, 2012. The Fiscal Year 2012/2013 portion of the report was prepared using actual expenditures July 1, 2012 through December 31, 2012, plus projected expenditures for the remainder of the fiscal year. The report covers eight main elements discussed in Section I of the narrative. Section II of this narrative 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 11-12 & FY 12-13 Summary Budget Overview

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

Funds utilization for FY11/12 was \$11,619,095 and for FY12/13 is anticipated at \$17,804,618. There is an expected expenditure increase of approximately \$6.2 M of Adult/Dislocated Worker funds utilization from FY11/12 to FY12/13 primarily due to the following: the training funds from FY11/12 that will be expended in FY12/13, the imposed 25% training requirement for FY12/13 funds, decrease in other funding sources, and retained staffing to sustain service levels to WIA clients.

WDC is expecting to receive \$13,453,613 of Adult/Dislocated Worker funds for FY12/13 and is required to utilize a minimum of 25% of the annual allocation, \$3,363,403, towards client

training in compliance with Senate Bill (SB) 734. Carry-in from the prior year cannot be used to satisfy this requirement.

b. Youth At-a-Glance Funds Utilization Plan

Funds utilization for FY11/12 was \$5,926,812 and for FY12/13 is anticipated at \$6,808,134. Over 70% of the WIA youth funds is sub-awarded to the Youth Opportunity Center operators for both program years.

c. Rapid Response At-a-Glance Funds Utilization Plan

Funds utilization for FY11/12 was \$326,545 and for FY12/13 is anticipated at \$511,292. Approximately \$193K of the FY12/13 allocation will be used towards On-the-Job training for WIA Dislocated clients.

d. Workforce Innovation Fund Funds Utilization Plan

WDC was awarded \$6,000,000 in Workforce Innovation Funds from the U.S. Department of Labor (DOL). Approximately, \$1,848,334 will be utilized during FY12/13 and the remaining balance will be used in the subsequent three (3) fiscal years.

e. Business Services Funds Utilization Plan

Funds utilization for FY11/12 was \$1,623,131 and for FY12/13 is anticipated at \$2,090,977. 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.).

f. Historical WIA Allocations

WIA Allocations received through the sub-grant agreement with EDD for Program Year 2011 and 2012 is anticipated at \$19,807,246 and \$20,381,892, respectively.

For Program Year 2012, WDC is expecting an overall slight increase of nearly 2.9%, \$574,646 from program year 2011. At this time, other WIA funding has not been awarded for both PY2011 and PY2012 through the sub-grant agreement with EDD. WDC continues to operate some of the programs associated with other WIA funds received in prior program years (VEAP, Calgrip, etc.)

g. Summary of Available Funding and Funds Utilization Plan

Total available funding for FY11/12 was \$21,879,779 and for FY12/13 is anticipated at \$29,457,340.

Carry-in funds to FY11/12 was \$7,977,941 due to priority of ARRA funds expenditures in FY10/11. Expected carry-in for FY12/13 and FY13/14 are estimated at \$9,022,796 and \$8,036,555, respectively. WDC is anticipating \$159,816 from other funds (not awarded through the sub-grant agreement) from Employment Training Panel (ETP) and Re-entry programs for FY12/13. Reimbursements from partners, tenants, and other county departments to cover for usage of space and other resources is anticipated at \$1,643,255 for FY12/13.

h. WDC Funds Utilization by Account

Total planned funds utilization for FY11/12 was \$21,879,779 and for FY12/13 is anticipated at \$29,457,340.

Indirect and Direct Salaries & Benefits are estimated at \$11,111,544 for FY12/13. This is an overall increase of \$208,150 due to increase in personnel to accommodate service levels for WDC programs (i.e., WIF). WDC is expecting to have total of 134 direct positions.

II. Core Functions and Description of Main WIA 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.

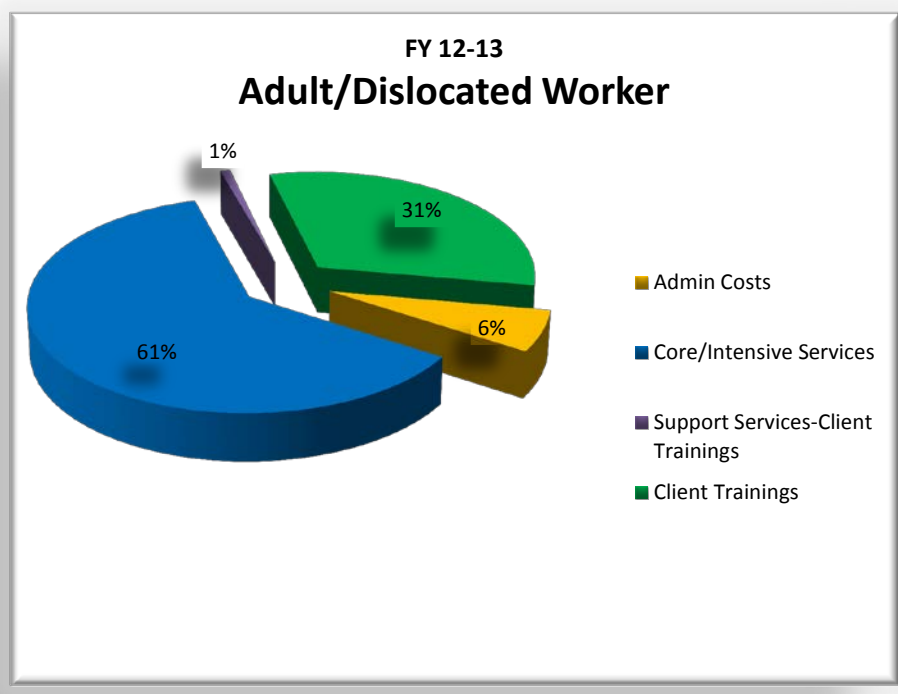
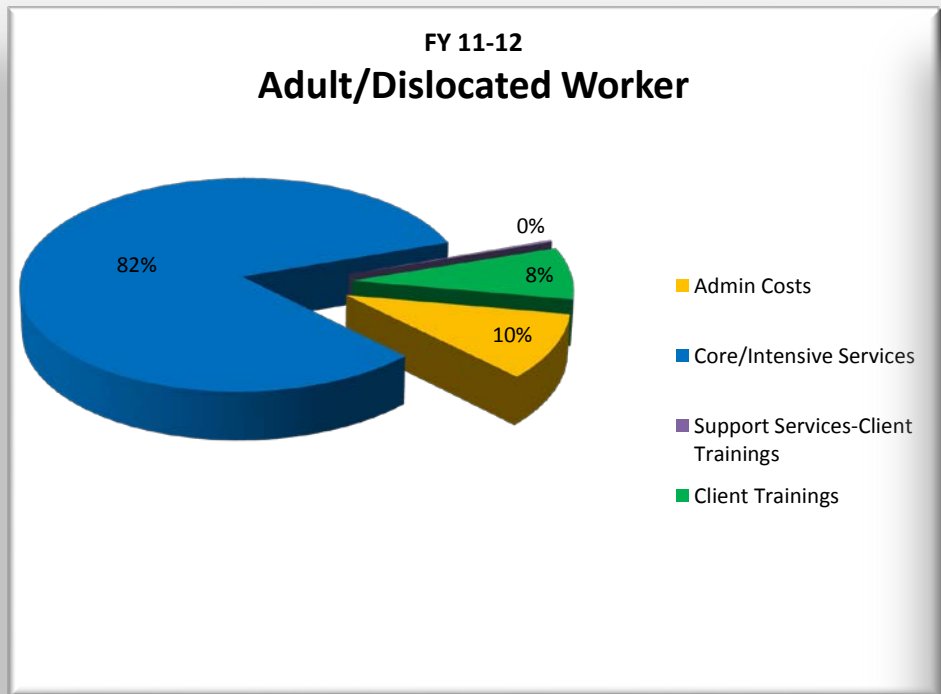
Program Cost: Program expenditures are directly related to the provision of the program and not related to the overall management and administration of the program.

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

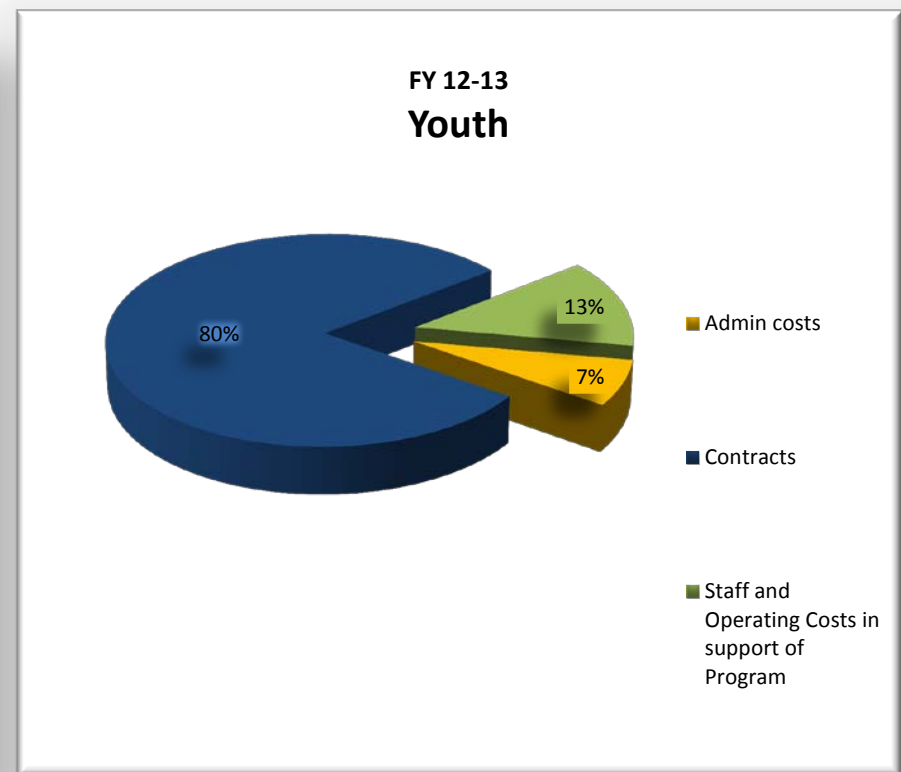
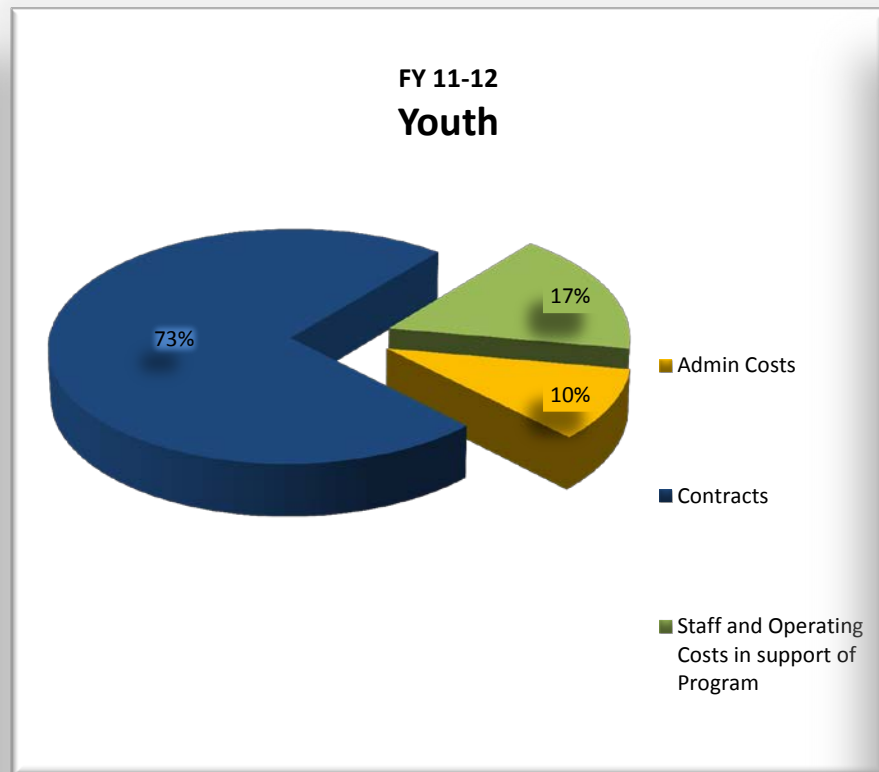
	FY 11/12	%	FY 12/13	%
	Actual		Year-End Projection	
Admin Costs	\$ 1,131,784	10%	\$ 1,120,676	6%
Program Costs:				
Core/Intensive Services	9,544,074	82%	10,941,402	61%
Support Services-Client Trainings	32,739	0%	142,139	1%
Client Trainings	910,497	8%	5,600,401	31%
Total Program Costs	\$ 10,487,311		\$ 16,683,942	
Total Admin and Program Costs	\$ 11,619,095	100%	\$ 17,804,618	100%
	\$ -		\$ -	



Youth

At-a-Glance Funds Utilization Plan

	FY 11/12	%	FY 12/13	%
	Actual		Year-End Projection	
Admin Costs	\$ 584,538	10%	\$ 472,981	7%
Program Costs:				
Contracts	4,340,643	73%	5,424,415	80%
Staff and Operating Costs in Support of Program	1,001,630	17%	910,738	13%
Total Program Costs	<u>\$ 5,342,273</u>		<u>\$ 6,335,153</u>	
Total Admin and Program Costs	<u>\$ 5,926,812</u>	100%	<u>\$ 6,808,134</u>	100%

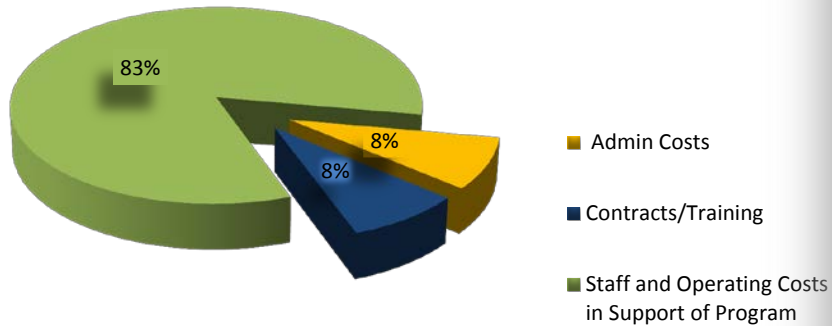


Rapid Response

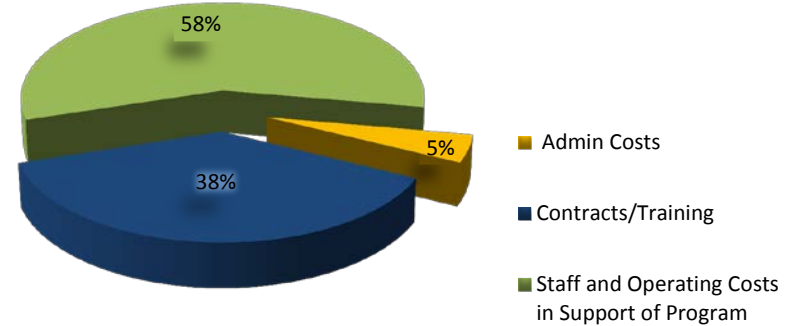
At-a-Glance Funds Utilization Plan

	FY 11/12	%	FY 12/13	%
	Actual		Year-End Projection	
Admin Costs	\$ 27,169	8%	\$ 23,037	5%
Program Costs:				
Contracts/Training	27,077	8%	193,447	38%
Staff and Operating Costs in Support of Program	272,299	83%	294,808	58%
Total Program Costs	<u>\$ 299,376</u>		<u>\$ 488,255</u>	
Total	<u><u>\$ 326,545</u></u>	100%	<u><u>\$ 511,292</u></u>	100%

**FY 11-12
Rapid Response**



**FY 12-13
Rapid Response**



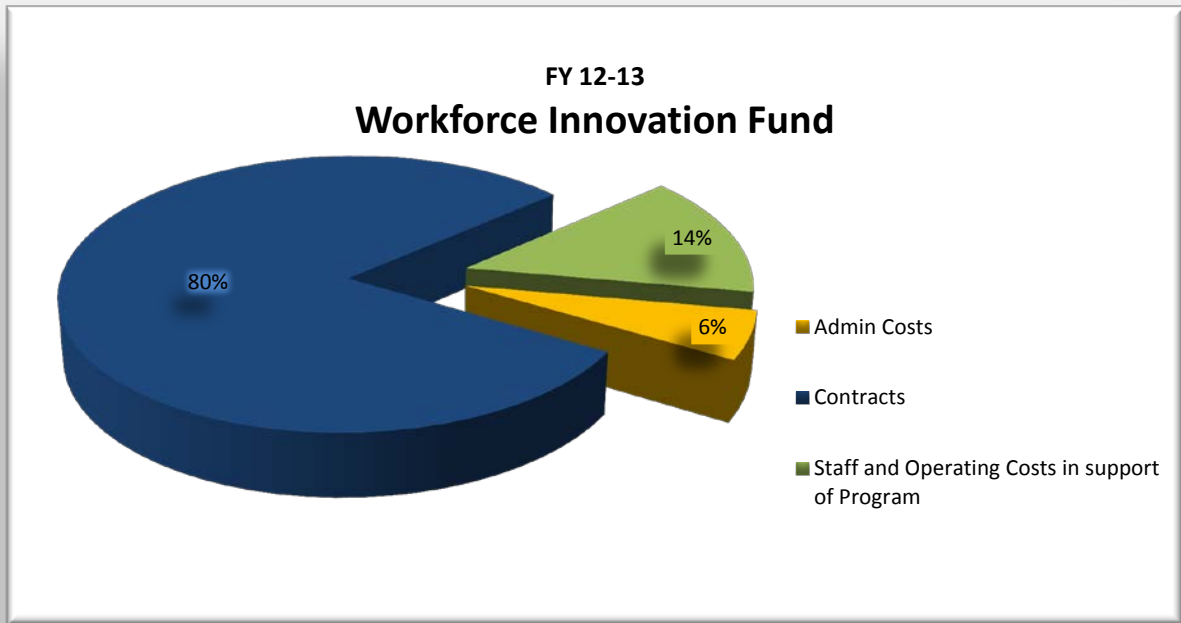
Workforce Innovation Fund

At-a-Glance Funds Utilization Plan

FY 12/13 **%**

Year-End Projection

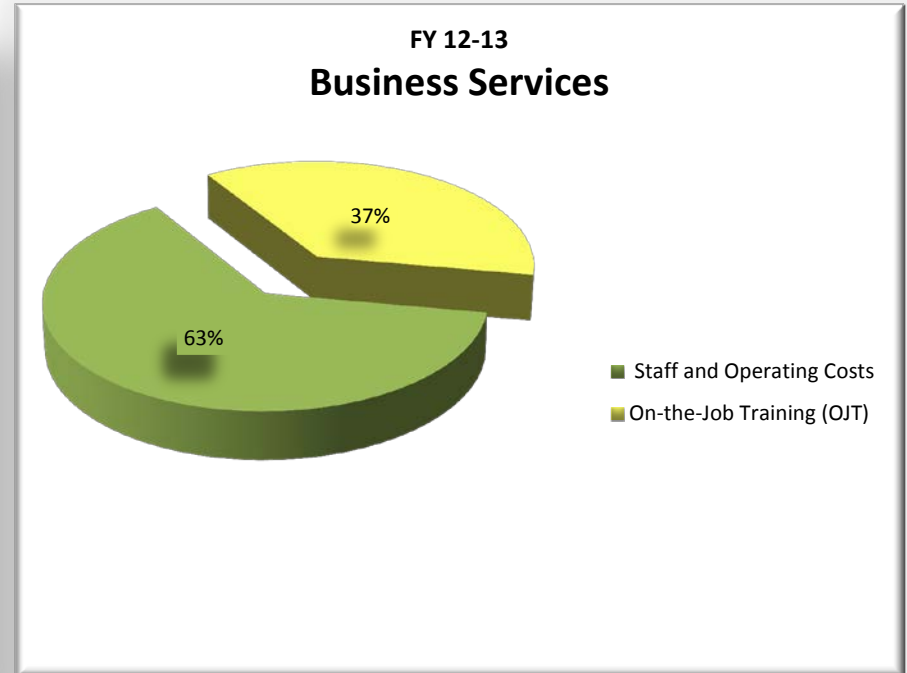
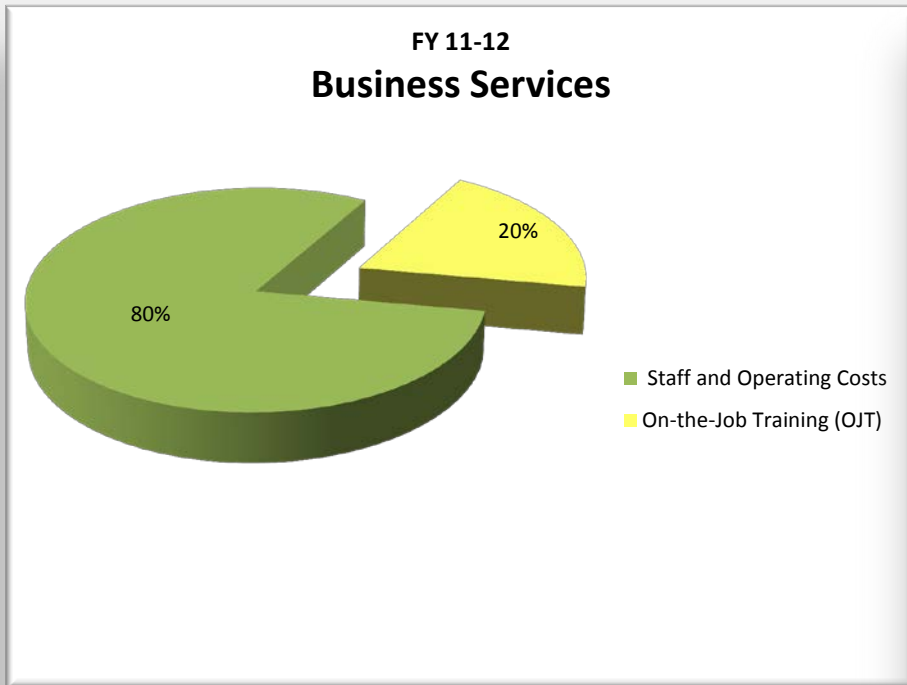
Admin Costs	\$	104,958	6%
Program Costs:			
Contracts		1,480,352	80%
Staff and Operating Costs in support of Program		263,024	14%
Total Program Costs	\$	1,743,376	
Total	\$	1,848,334	100%



Business Services

At-a-Glance Funds Utilization Plan

	FY 11/12	%	FY 12/13	%
	Actual		Year-End Projection	
Business Services Cost:				
Staff and Operating Costs	1,305,413	80%	1,323,908	63%
On-the-Job Training (OJT)	317,717	20%	767,069	37%
Total Business Services Costs	\$ 1,623,131	100%	\$ 2,090,977	100%



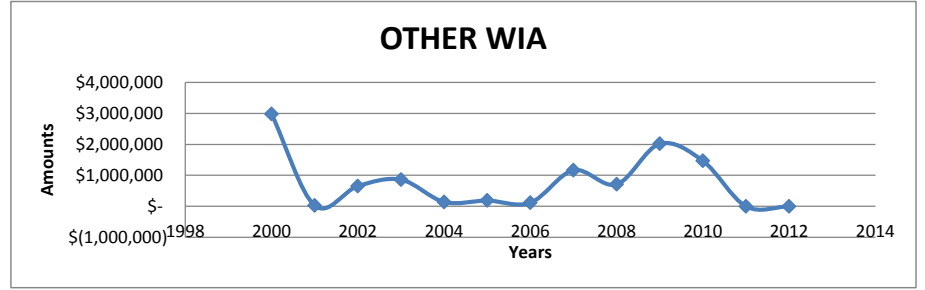
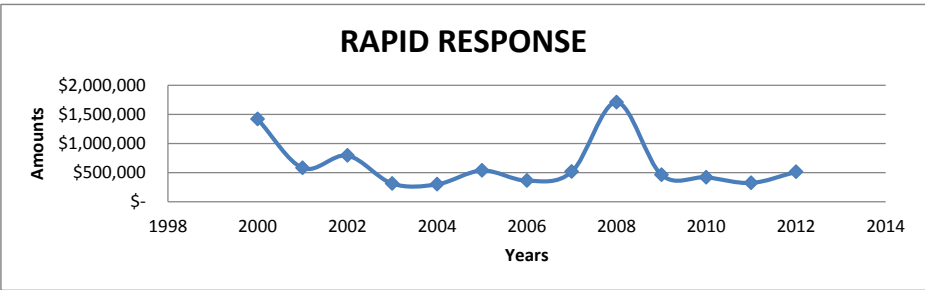
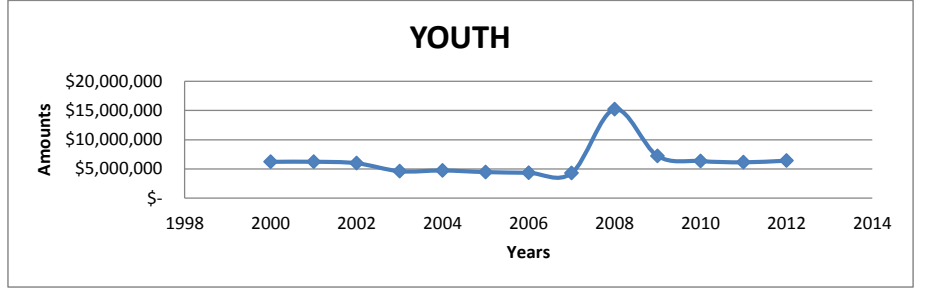
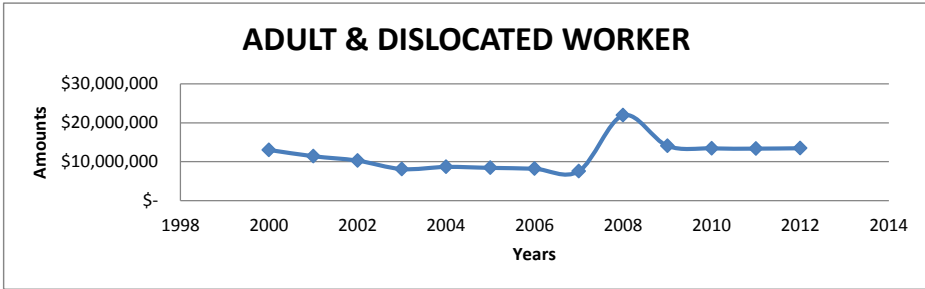
Remarks:

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	\$ 20,381,892	\$ 13,453,613	\$ 6,416,987	\$ 511,292	\$ -
	\$ 252,513,833	\$ 151,778,096	\$ 82,179,229	\$ 8,226,112	\$ 10,330,396





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

	FY 2011-2012						FY 2012-2013						
	Adult/ Dislocated Worker	Youth	Rapid Rsps	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
Available Funding													
Current FY Allocation	13,352,106	6,132,830	322,310	306,111	2,811,278	22,924,635	13,453,613	6,416,984	511,292	6,000,000	159,816	1,929,394	28,471,099
Estimated Carry In	4,332,746	2,015,995	4,235	1,624,965	0	7,977,941	6,065,756	2,222,013	0	-	689,508	45,518	9,022,796
Carry Over	(6,065,756)	(2,222,013)	(0)	(689,508)	(45,518)	(9,022,796)	(1,714,751)	(1,830,863)	(0)	(4,151,666)	(7,617)	(331,657)	(8,036,555)
Total Available Funding	\$ 11,619,095	\$ 5,926,812	\$ 326,545	\$ 1,241,568	\$ 2,765,760	\$ 21,879,779	\$ 17,804,618	\$ 6,808,134	\$ 511,292	\$ 1,848,334	\$ 841,707	\$ 1,643,255	\$ 29,457,340
Utilization Plan													
Salary & Benefits - Direct	7,689,117	1,076,704	218,727	421,585	437,454	9,843,587	7,885,802	901,137	233,503	230,554	252,104	384,940	9,888,040
Salary & Benefits - Indirect	891,807	90,170	13,630	33,852	30,348	1,059,807	942,140	139,113	19,432	40,054	20,350	62,416	1,223,505
Operating Exp (Direct & Indirect)	1,793,277	280,737	51,810	102,122	2,287,559	4,515,505	2,712,418	218,028	56,183	59,712	63,169	1,186,067	4,295,578
Training & Travel	136,979	37,893	7,698	9,700	9,798	202,068	220,655	38,911	3,574	28,999	2,786	9,831	304,757
Equipment	161,110	97,121	7,602	15,961	0	281,795	270,661	86,420	5,154	8,662	1,115	0	372,013
Other (YOC, ITA, SS, Other Client Training)	946,805	4,344,187	27,077	658,348	600	5,977,018	5,772,942	5,424,525	193,447	1,480,352	502,183	0	13,373,449
Total Utilization Plan	\$ 11,619,095	\$ 5,926,812	\$ 326,545	\$ 1,241,568	\$ 2,765,760	\$ 21,879,779	\$ 17,804,618	\$ 6,808,134	\$ 511,292	\$ 1,848,334	\$ 841,707	\$ 1,643,255	\$ 29,457,340

WDC Funds Utilization Plan

By Account

Accounts	GL #	FY11-12	FY12-13
		Actual	Year-End Estimate
Personnel			
Projected Salaries & Benefits Expense - Direct	510040; 518100	9,487,457	9,482,198
Payoff Permanent/Seasonal	510200	15,439	18,676
Temporary Salaries (TAP)	510320	129,147	193,779
Workers Compensation	517000	197,151	185,587
Retiree Health Insurance	515200	14,393	7,800
Interfund-Salary Reimbursement	537180	962,225	1,133,734
Temp Assistance Pool (TAP Admin)	525080	13,134	19,094
Temporary Help Services	525340	341	1,024
Salary/Benefit Reimbursement	525500	84,106	69,653
	Total Personnel:	10,903,394	11,111,544
Operating, Staff Training, Travel and Equipment			
Communications	520200	-	-
Cellular Phone	520230	42,148	24,723
Communications Equipment - Install	520250	2,022	7,005
County Delivery Service	520270	-	-
Telephone Service	520320	112,707	115,069
Communication Services	520330	128,626	82,556
Insurance-Liability	520930	34,772	56,317
Insurance-Property	520945	70,887	41,921
Maint-Computer Equip	521360	1,492	-
Maint-Office Equipment	521540	37,296	50,002
Maint-Telephone	521660	-	760
Maint-Telephone	521640	19,358	-
Maint-Blg & Improvements	522310	13,983	34,452
Memberships	523100	7,821	23,748
Bank Charges	523290	476	600
Office Supplies	523700	62,639	58,172
Postage/Mailing	523760	12,913	14,245
Printing/Binding	523800	21,440	18,661
Subscriptions	523820	579	588
OASIS Processing-Financials	525300	14,581	14,097
OASIS Processing-HRMS	525310	29,179	31,530
RMAPS Servs	525330	4,169	4,283
Security	525600	104,039	104,853
Legally Required Notices	526410	1,336	3,073
Advertising	526420	10,288	10,527
Rent/lease Equipment	526530	1,764	1,920
Rent - Lease Bldgs	526700	2,955,869	2,802,511
Special Program Expense	527780	58,686	105,973
Interfund-Audit&Acct Fees	536760	3,606	-
Interfund Exp-Payroll Service Fee	536761	15,798	17,053
COWCAP	536840	(72,397)	58,277
Interfund-General Ofc Expense	536920	686,048	472,567
Interfund-Leases	537000	5,204	-
Interfund-Legal Services	537020	11,195	5,813
Interfund-Personnel Services	537090	95,017	76,935
Interfund-Utilities	537240	34,232	46,520
Interfund-Misc Project	537280	-	13,568
Program Income	595223	(12,268)	(5,575)
Training Education/Tuition	527840	6,140	39,000
Registration/Conf Fees	528140	11,172	21,158
Air Transportation	528900	7,971	33,547
Car Pool Expense	528920	150,179	120,099
Lodging	528960	13,555	54,104
Meals	528980	1,343	15,814
Misc. Travel Expense	529000	7,298	14,846
Private Mileage/Vehicle	529040	1,331	1,772
Interfund-Miscellaneous (CGE)	537080	3,077	4,417
Maint-Field Equipment	521420	369	2,835
Ofc Equipment Non Fixed Asset	523680	171,579	59,216
Computer Software - Equipment	523840	109,847	297,797
Equipment - Office	546140	-	15,000
	Operating, Staff Training, Travel and Equipment	4,999,367	4,972,347
Other			
Client Services (ITA)	530440	555,748	5,034,741
Professional Services	525440	214,965	510,602
Support Services	530460	107,226	817,488
Training Provider (YOC, etc)	530300	5,099,079	7,010,618
	Total Other:	5,977,018	13,373,449
Total Utilization Plan by Accounts		Actual	Projection
		21,879,779	29,457,340