

WDC FINANCE & ADMINISTRATION COMMITTEE

June 3rd, 2022

WELCOME & INTRODUCTIONS

Angela Dunleavy, Board Chair

AGENDA



- Review draft agenda

- I. INTRODUCTIONS
- II. CEO UPDATE
 - a. WIOA Formula Allocation
- III. ACTION ITEMS
 - a. Minutes – April 29th, 2022
 - b. Support Services Policy
 - c. PY-22 Budget
- IV. INFORMATION
 - a. ESD Monitoring Updates
 - PY20 State ESD WIOA Monitoring Report
 - PY21 State ESD WIOA Monitoring Progress Update
 - Upcoming DOL Monitoring Review
- V. ADJOURNMENT

UPDATE - WIOA PY22/FY23 ALLOCATION

Marie Kurose, CEO

PY22/FY23 WIOA FUNDING PROCESS & TIMELINE



ALLOCATION PROCESS

STEP 1: **CALCULATE BASED WIOA FORMULA METRICS**

Youth and Adult Criteria:

- # Unemployed in Areas of Substantial Unemployment
- # Excess Unemployed
- # Economically Disadvantaged Youth/Adults

Dislocated Worker Criteria:

- # Unemployed
- Unemployed in Excess of 4.5%
- Long Term Unemployed

STEP 2: **HOLD HARMLESS ADJUSTMENT**

SEATTLE KING COUNTY FORMULA ALLOCATION METRICS



STEP 1: FORMULA ALLOCATION METRICS

WIOA FORMULA ALLOCATION CRITERIA:

Youth and Adult

- # Unemployed in Areas of Substantial Unemployment
- # Excess Unemployed
- # Economically Disadvantaged Youth/Adults

Dislocated Worker

- # Unemployed
- # Unemployed in Excess of 4.5%
- # Long Term Unemployed

Unemployment Data Source: State LMEA
(July 2020 -June 2021)

Economically Disadvantaged Source: Census
Based on most recent update

METRIC	STATE	SEA-KING	% OF STATE
Unemployed in ASU	264,453	77,885	29.45%
Excess unemployed	89,751	20,625	22.98%
Adult Econ Disadvantaged	579,344	148,435	25.62%
Youth Econ Disadvantaged	125,880	31,665	25.2%
Total Unemployed	227,762	63,243	27.77%
Unemployed Excess of 4.5%	52,776	5,977	11.33%
LT Unemployed 15+ Weeks	306,668	101,004	32.94%

SEATTLE KING COUNTY HOLD HARMLESS ALLOCATION



STEP 2: HOLD HARMLESS

- Minimum Percentage: no less than 90% of average allocation percentage for the 2 preceding fiscal years.
- Amounts necessary for increasing allocations to LWDBs to maintain HH – redistributed funds from other LWDBs

	STATE TOTAL ALLOCATION	LWDB TOTAL	SEA KING WDC* FINAL		PRE-HH ADJUSTMENT		HH MIN	HH ADJUST
YOUTH	\$ 20,928,382	\$ 17,789,125	\$ 4,132,739	23.2%	\$4,600,651	25.9%	15.7%	\$467,912
ADULT	\$ 19,695,933	\$ 16,741,545	\$ 3,906,050	23.3%	\$4,355,748	26%	15.85%	\$449,698
DISLOCATED WORKER	\$ 22,254,509	\$ 16,933,017	\$ 3,644,433	21.5%	\$4,065,528	24%	17.32%	\$421,095
TOTAL	\$ 62,878,824	\$ 51,463,687	\$ 11,683,222	18.6%	\$13,021,927	20.7%		\$1,338,705

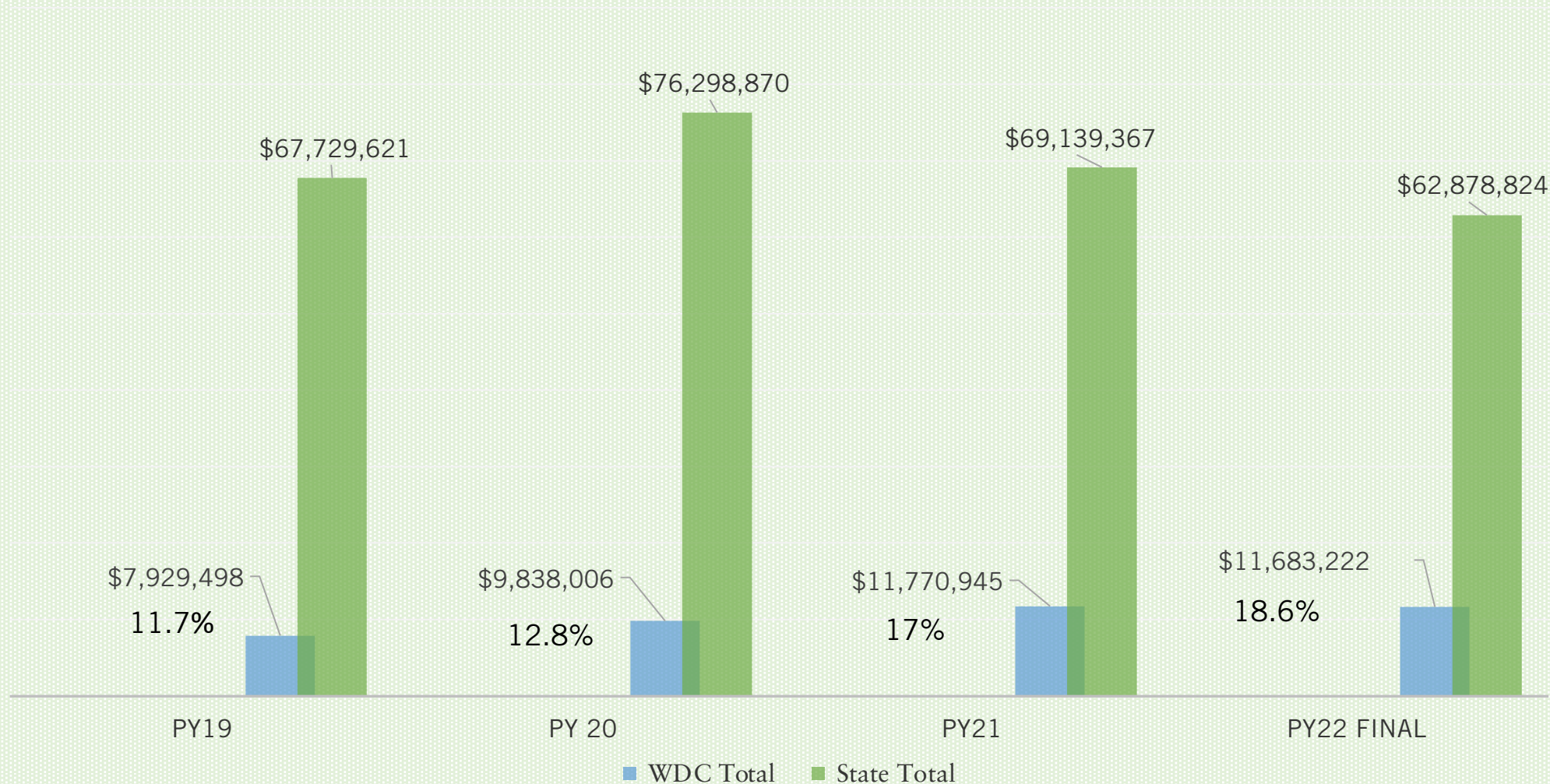
* ACP included in allocations

PY22/FY23 FINAL ALLOCATION



	PY17	PY18	PY19	PY 20	PY 21	PY22
■ Adult	2,375,226	2,316,801	2,255,184	2,667,093	3,432,178	3,515,445
■ DW	2,464,437	2,186,414	2,290,816	3,396,504	3,864,032	3,279,992
■ Youth	2,526,856	2,424,490	2,465,891	2,790,611	3,610,515	3,719,465
■ ACP	818,501	769,744	917,607	983,798	864,220	1,168,320
■ WDC Total	\$8,185,020	\$7,697,449	\$7,929,498	\$9,838,006	\$11,770,945	11,683,222

WIOA STATE:LOCAL ALLOCATION TRENDS



QUESTIONS / FEEDBACK

ACTION ITEMS



Minutes – April 29th, 2022

Support Services Policy

PY-22 Budget

SUPPORT SERVICES POLICY

Mike Davie, Director of Programs



Summary

- Addresses use of WIOA funds for supportive services and needs-related payments (NRP's) to support Adults, Dislocated Workers, and Youth participating in WIOA Title I activities.
- As a result of the WDC's recent ESD monitoring, we have modified the policy to include guidance and allow missing receipts for goods and services in the provision support services.

Examples of services included: transportation, child or dependent care, housing, uniforms and other work attire and work tools, including eyeglasses and protective eye wear. **For Youth, the above plus:** educational testing, reasonable accommodations for youth with disabilities, and health care referrals.



Approach & Process

- In response to recent ESD monitoring:
 - WDC staff researched & reviewed equivalent policies by other boards & agencies, including:
 - Workforce Southwest Washington
 - Basic Food Employment and Training (BFET)
- Based on that research, proposal to revise language to:
 - Allow missing receipts
 - Guide documentation process for obtaining receipts

SUPPORT SERVICES & NEEDS-RELATED PAYMENTS POLICY



Equity Implications

Ongoing policy review to align with Regional Strategic Plan strategies for equitable economic recovery

Updated policy emphasizes flexibility, guides additional supports, and increases access

Goal to mitigate disparities in underserved populations and communities of color



Recommendation

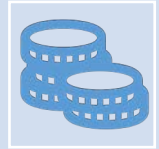
WDC staff recommends the updated policy be accepted for final approval and included in the Full Board consent agenda with effective date of June 23, 2022.

QUESTIONS / FEEDBACK

PY22 BUDGET REVIEW



Revenue Analysis



Expense Analysis



Historical Funding Trends

PY22 BUDGET REVIEW



REVENUES

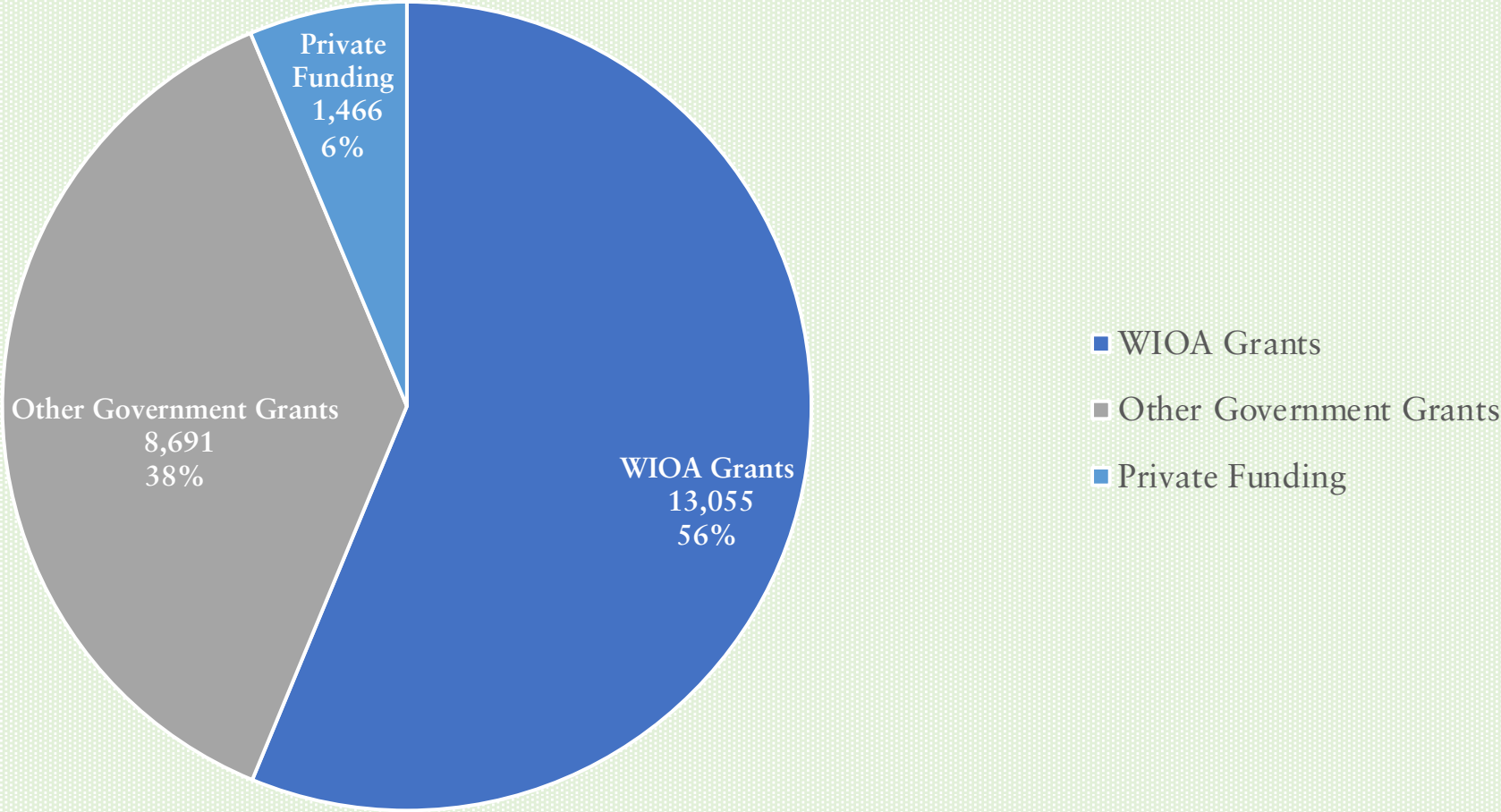
Carry in to PY22 increased by 22% (3.3M) from lower indirect expenses and new grants received in May/June.

Grant funding received in PY22 decreased 28% primarily due to receiving only new WIOA funding.

PY23 Carry forward funding compared to PY22 carry forward decreased by \$3M. Majority of grants ending during PY23. This amount will increase due to some King County contract date changes.

Overall, increase of 8% (1.65 M) in PY22 revenues.

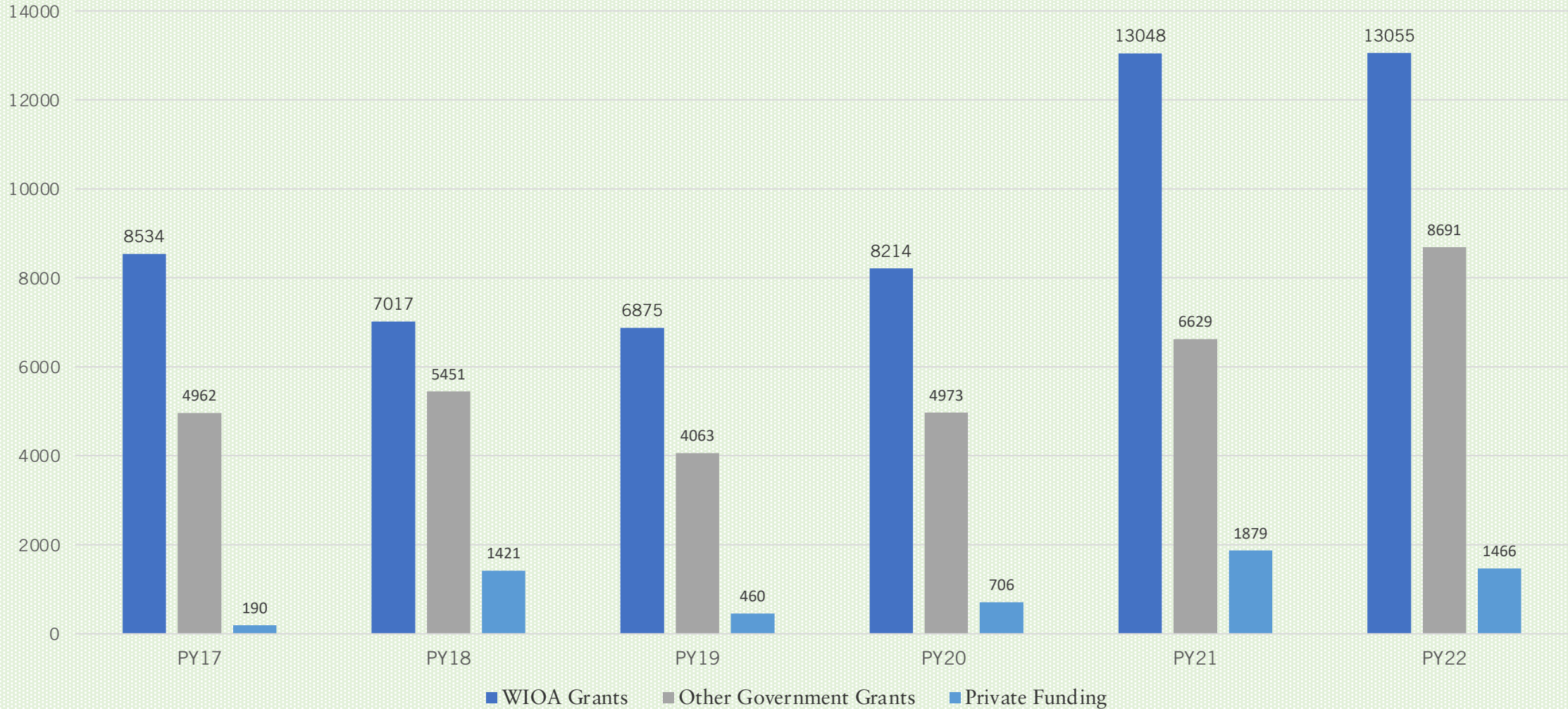
PY22 BUDGET REVIEW



PY22 BUDGET REVIEW



HISTORICAL FUNDING MIX PY22



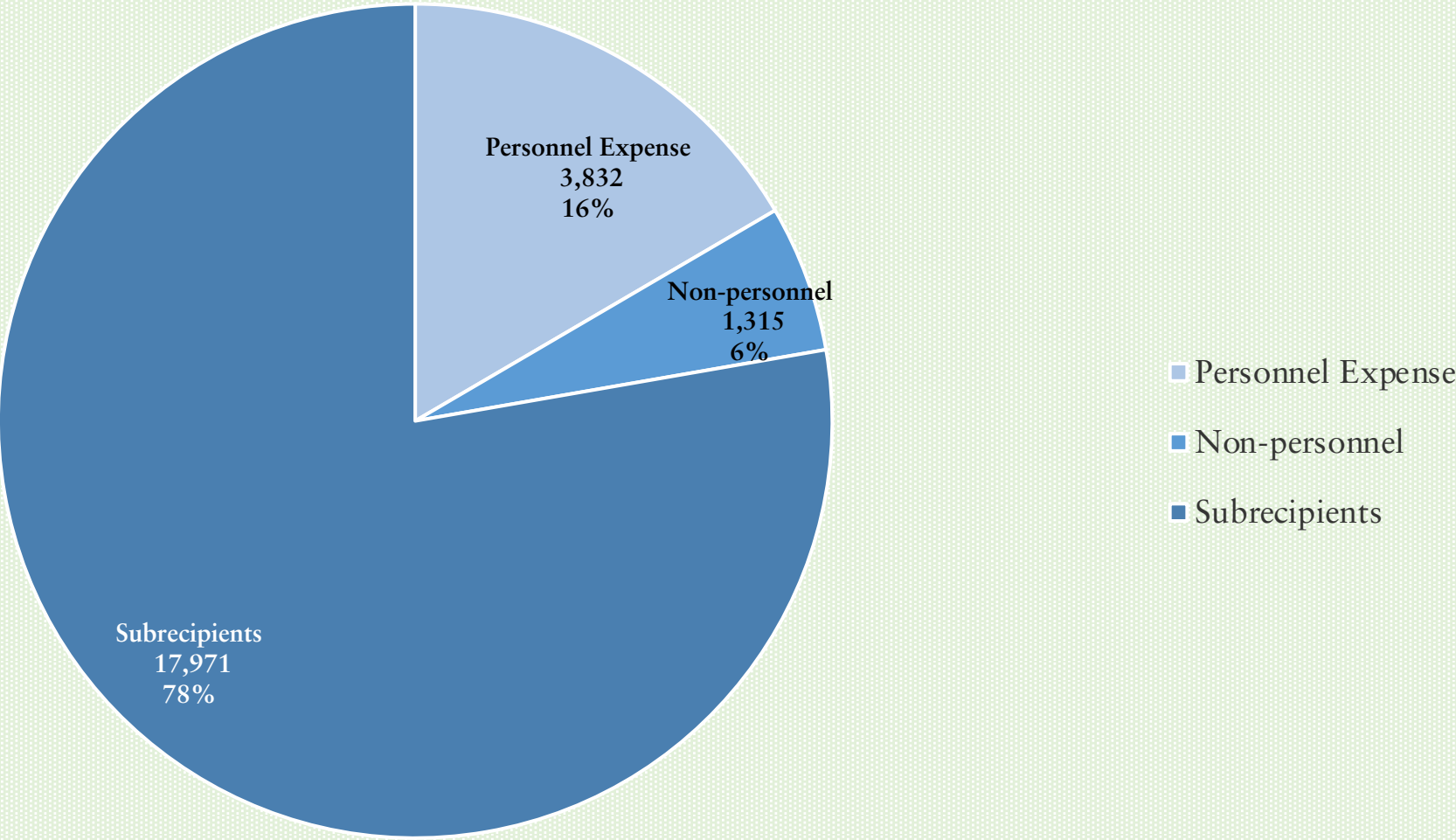
PY22 BUDGET REVIEW



Expense Analysis

WDC Staff salaries and benefit	Expenses are projected to be 25% or \$700 K higher than original PY21 budget. Current staffing at 18 FTE's + 8 budgeted from PY21. Proposing 3 new positions: Director of Impact (FTE), Board Engagement (FTE), EO Officer (0.6).
Subcontractor	Funding increase of 6% or 1.89M more than PY 21 mid year budget. Due to rollover of unspent funds from prior year and new grant funding.
Occupancy Costs	Budgeted 15% or \$30,000 more than mid year budget due to increase in CAM expenses and higher utility expenses.
Professional Services	Budgeted 3% or \$19,084 more than PY21 mid year budget
Travel/Prof. Dev.	Budgeted at same percentage or \$500 more than mid year budget. \$2,000 in PD for employees and travel budgeted near pre pandemic levels.
Equipment/Supplies	Budgeted 43% or \$39,000 more than PY21 mid year budget. Budgeted new server and laptops for new employees.
Insurance	Budgeted 8% or \$4,000 lower than PY 21 mid year budget.
Printing/Pubs	Budgeted 25% or \$25K less than PY21 mid year due to online and digital platforms use.
Dues and Membership	Budgeted 8% or \$1,891 more than PY 21 mid year budget.

PY22 BUDGET REVIEW - EXPENDITURE



PY22 PROPOSED BUDGET

	PY21 Appr Mid-Year Budget	WIOA Formula Funds	Other Govt Funding	Private Funding	PY 22 Proposed Budget	\$ Change	% Change
						From PY21 Mid Year Budget	
Revenue:							
PY22 Carry-In	\$ 11,421,608	\$ 2,657,336	\$9,772,301	\$ 1,998,980	\$ 14,428,617	\$ 3,007,009	26%
Grants	\$ 16,302,156	\$ 11,683,222	\$ 110,000	\$ -	\$ 11,793,222	\$(4,508,934)	-28%
Contributions	\$ 200	\$ -	\$ -	\$ 200	\$ 200	\$ -	
Program Income	\$ 12,000	\$ -	\$ -	\$ 12,000	\$ 12,000	\$ -	
PY23 Carry-Forward	\$ (6,180,249)	\$ (1,285,154)	\$(1,191,250)	\$ (545,000)	\$ (3,021,404)	\$ 3,158,845	-51%
Total Revenue	\$21,555,715	\$13,055,404	\$8,691,051	\$1,466,180	\$ 23,212,635	\$1,656,920	8%
Expenses:							
Salaries & Benefits	\$ 2,723,897	\$ 3,170,388	\$ 318,849	\$ 343,104	\$ 3,832,341	\$ 1,108,444	41%
Subcontractors	\$ 16,880,828	\$ 8,743,674	\$ 8,241,966	\$ 984,929	\$ 17,970,568	\$ 1,089,740	6%
Occupancy (Rent, Util, Telecom)	\$ 267,188	\$ 250,063	\$ 28,284	\$ 28,251	\$ 306,597	\$ 39,409	15%
Equip/ Supplies/ Furniture	\$ 90,000	\$ 108,743	\$ 8,273	\$ 11,984	\$ 129,000	\$ 39,000	43%
Prof Services /A133 Audit	\$ 599,900	\$ 496,224	\$ 54,507	\$ 68,253	\$ 618,984	\$ 19,084	3%
Travel / Prof Dev	\$ 113,500	\$ 94,523	\$ 9,049	\$ 10,428	\$ 114,000	\$ 500	0%
Printing / Publication	\$ 100,000	\$ 62,278	\$ 5,940	\$ 6,782	\$ 75,000	\$ (25,000)	-25%
Insurance	\$ 50,000	\$ 37,512	\$ 4,374	\$ 4,114	\$ 46,000	\$ (4,000)	-8%
Dues /Memberships	\$ 24,109	\$ 21,616	\$ 2,059	\$ 2,325	\$ 26,000	\$ 1,891	8%
Total Expenses	\$20,849,422	\$12,985,019	\$8,673,301	\$ 1,460,170	\$ 23,118,490	\$2,269,068	11%
Remaining Revenue/Expense	\$ 706,293	\$ 70,385	\$ 17,750	\$ 6,010	\$ 94,145	\$ 612,148)	-87%

QUESTIONS / FEEDBACK



MONITORING UPDATE

PY20 Monitoring

PY21 Monitoring

WIOA MONITORING AND COMPLIANCE



Monitoring and compliance responsibilities: WIOA, federal Uniform Administrative requirements

FEDERAL
U.S. Dept of Labor;
Employment & Training Adm

Monitors State compliance with Workforce Innovation and Opportunity Act; federal Uniform Administrative requirements

STATE
Employment Security Dept.

State shall conduct on an annual basis onsite monitoring of each local area within the state to ensure compliance with uniform administrative requirements. *Workforce Innovation & Opportunity Act, sec. 184(a)(4)*

LOCAL
Workforce Development
Board

Each recipient and subrecipient of funds under title I of WIOA must conduct regular oversight and monitoring of its WIOA program(s) and those of its subrecipients and contractors. *2 CFR 200.329(a), Monitoring by the non-Federal entity; 20 CFR 683.410(a)*

PY20 WIOA MONITORING FINAL REPORT



Employment Security Department's Workforce Monitoring Unit transmitted findings from annual compliance review June 21 - July 1, 2021.

FINDINGS: ESD's Monitoring Unit determined, as a result of the review, there are no findings.

Observations:

- ✓ Cash and Financial Management: Two (2) disallowed costs and one (1) questioned cost resolved.
 - Disallowed (\$1,050 reimbursed; \$29.99 charged to non fed.)
 - Questioned (registration \$350 and travel \$569) reallocated to program cost
- ✓ Support Services and Needs Related Payments: One questioned cost lack of supporting documentation.

All disallowed costs and questioned costs resulting from the PY20 review have been resolved.

Noted Practices Observed during the program review:

- Disaster Recovery Case Notes
- TRAC Associates – Support Services Support of Claim Form
- IRC – Adult File Documentation and Case Notes
- ACRS – ITA Financial Planning form
- WDC – IFA Communication Process

MONITORING SCHEDULE



QUESTIONS / FEEDBACK



ADJOURNMENT

Thank you

The in-person Annual Board Meeting is Thursday, June 23rd.