



**WORKFORCE DEVELOPMENT BOARD  
OF SOLANO COUNTY**

**Budget Committee Meeting**

Thursday, July 9, 2020

8:15 a.m. – 8:45 a.m.

**via Zoom**

<https://us02web.zoom.us/j/86410218550>

Meeting ID: 864 1021 8550



**WORKFORCE DEVELOPMENT BOARD**  
OF SOLANO COUNTY

**Budget Committee Meeting Announcement**

**Date: Thursday, July 9, 2020**

**Time: 8:15 a.m. - Open Session**

**Location: Via Zoom**

Given the Governor's Executive Order N-29-20, the Workforce Development Board of Solano County (WDB) is implementing the following changes for attendance and public comment. Board members will attend the Board meeting by teleconference or other electronic means.

To comply with public health guidance during COVID-19 pandemic, the WDB has taken steps to utilize technology to encourage full public participation during upcoming meetings. The above scheduled meeting will be accessible through the following option:

Join Zoom Meeting

<https://us02web.zoom.us/j/86410218550>

Meeting ID: 864 1021 8550

You can join the Zoom meeting from a computer, mobile device, or tablet. The Zoom meeting information will be provided in every board meeting agenda, as long as needed during the COVID-19 pandemic. Please be advised that you will not be provided with the option to submit public comment if participating through the zoom conference. Options for submitting public comment are provided below:

Public Comment(s) by E-mail

Workforce Development Board (WDB) members, staff, or members of the public who wish to make a public comment for a non-agenda or agenda item by email, you must submit your public comments by e-mail to: [tgallentine@solanowdb.org](mailto:tgallentine@solanowdb.org) by 4:00 p.m. on July 8, 2020, the day prior to the meeting.

All such written comments that are related to employment and training in Solano County will be read aloud at the Committee Meeting.

The Workforce Development Board of Solano County thanks you for your cooperation in advance. Our community's health and safety are our highest priority.



**WORKFORCE DEVELOPMENT BOARD**

OF SOLANO COUNTY

**BUDGET COMMITTEE**

**Thursday, July 9, 2020**

**8:15 a.m. – 8:45 a.m.**

**Join Zoom Meeting**

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**MEETING AGENDA**

- I. Welcoming/Convening**
- II. Agenda Additions and/or Deletions**
- III. Public Comment - *Written comments submitted by the public will be read at this time.***

*Please note: Workforce Development Board (WDB) members, staff, or members of the public who wish to make a public comment for a non-agenda or agenda item by email, you must submit your public comments by e-mail to: [tgallentine@solanowdb.org](mailto:tgallentine@solanowdb.org) by 4:00 p.m. on July 8, 2020, the day prior to the meeting.*

*All such written comments that are related to employment and training in Solano County will be read aloud at the Board Meeting.*

- IV. Action Items**
  - A. Review and Approval of the Proposed Preliminary Budget for Program Year (PY) 2020-21 as a Working Budget and Recommendation to the Full Board for Approval
- VI. Adjournment**

Note: The next Budget Committee will be scheduled at a later time.

# ACTION ITEMS





**WORKFORCE DEVELOPMENT BOARD**  
OF SOLANO COUNTY

**BUDGET COMMITTEE**

<b>SUBJECT:</b> Review and Approve Proposed Preliminary Budget for Program Year (PY) 2020-21 as a Working Budget and Recommendation to the Full Board for Approval	<b>MEETING DATE</b>  July 9, 2020	<b>AGENDA ITEM</b>  IV.A
<b>FROM:</b> Heather Henry President/Executive Director	<b>ACTION REQUIRED</b>  YES ✓ NO	<b>ATTACHMENTS</b>  CHART A

**RECOMMENDATION:**

Attached is the proposed preliminary budget for PY 2020-21 presented to the Budget Committee of the Workforce Development Board (WDB) of Solano County for their review. WDB Staff recommends that the Budget Committee approve the proposed preliminary budget for PY2020-21 as a working budget and recommend for approval to the full board at the July 17, 2020 meeting.

This budget accounts for special funding and activities due to the novel coronavirus pandemic environment (COVID-19). In general, standard WIOA enrolled activities have slowed down and/or been delayed.

**SUMMARY:**

Allocations for Workforce Innovation & Opportunity Act (WIOA) Title I formula funds have been received from the State of California-EDD for PY2020-21 and have come in slightly higher than prior year. As of the writing of this Agenda item, allocations for WIOA Rapid Response and Layoff Aversion funds had yet to be released by the State of California-EDD, so prior year figures were used as estimates in this preliminary budget. This budget does not include any carryover funds from PY2019-20. Final carryover figures, and other budget adjustments, will be presented at the September 2020 WDB Board Meeting.

This proposed preliminary budget for PY2020-21 of \$7,013,354 represents an overall increase of \$875,131, or 9%, from PY2019-20. This increase is primarily due to additional funding in support of the COVID-19 environment, along with a slight decrease of 8% in WIOA Youth, Adult, and Dislocated Worker activities. Funding and activities for WIOA Youth, Adult and Dislocated formula funding may increase upon final determination of carryover funds.

**DISCUSSION:**

**Opportunities and Challenges for the Agency Budget:**

The novel coronavirus (COVID-19) required significant programmatic and operational changes to meet the unique need of the virus and the community response. COVID-19 presented a number of challenges that affected the budget. The WDB reevaluated training, America's Job Centers of California (AJCC) delivery, supportive service, and business service delivery, which had significant budget impacts. In addition, new sanitary measures, personal protective equipment, and upgraded technology became immediate needs. New regulations and requirements have been set forth at the Federal, State and County level due to the state of emergency that have necessitated fiscal changes. COVID-19 also provided new funding opportunities as activities such as supportive services and business supports became needed offerings in the community.

To provide services as required under the various grant funding streams, the WDB will continue to focus this year on continuously improving the efforts to maximize funding by pursuing the following:

- Increase available grant funding; governmental, foundation, and other.
  - *Four new WIOA-related grants were awarded unrelated to COVID-19:*
    - *Regional Planning Implementation 3.0 – \$150,000 (final amount to be negotiated)*
    - *Disability Employment Accelerator VI - \$200,000*
    - *Veterans Employment-Related Assistance Program - \$500,000*
    - *AB 1111: Breaking Barriers to Employment - \$319,250*
  - *Seven new COVID-related grants were awarded*
    - *WIOA Rapid Response Additional Assistance - \$693,000*
    - *WIOA National Dislocated Worker Grant – final amount to be determined*
    - *SBDC CARES Act Grant - \$173,000*
    - *First 5 Grant - \$50,000*
    - *Wells Fargo Foundation - \$15,000*
    - *Genentech - \$50,000*
    - *City of Benicia - \$50,000*
- Develop other revenue sources; fee for service, donations.
- Access a full quarter of WIOA Youth funding, which becomes available each April 1<sup>st</sup>, by including youth grant funds in the budget on the April – June funding cycle. This replaces the practice of waiting until July to access the youth funds.
- The Board made a determination in PY2019-20 to not reserve WIOA carry-over fund in order to preserve full staffing. The 8% decrease in WIOA formula budgets is a result of that decision.
- Stretch existing funding by increasing organizational productivity and efficiency.

### **Revenue and Expenditure Detail:**

- ***Chart A:*** This chart compares grant funding from the last Board-approved budget of PY2019-20 (approved 05/22/20) to the proposed preliminary budget for PY2020-21.

### **Revenue – PY2020-21**

#### **Unknowns**

- COVID-19 environment is subject to change (extended shutdowns, increased or extended sanitation requirements, extension of (CA UI \$600/week), et al) leading to possible changes in funding and expenditures which are unknown.
- WIOA and Small Business Development Center (SBDC)-related COVID-19 funding currently seems set, but future donations to the WDB's inaugural Layoff Aversion Fund (LOAF) remain unknown.

- Applications for new grants, both COVID-19 related or non-COVID-19 related, is unknown. Currently, no new grant applications are anticipated.
- Further revenue reductions due to delays in implementation of existing grant awards due to COVID-19 remain unknown.
- Adjustments, if any, to the SBDC program funding is also unknown.

### **Changes from PY2019-20 to PY2020-21:**

*This discussion focuses on changes that are +/-10% or more*

#### ***Revenue - Grant Program Funding:***

- WIOA Youth funding is reduced due to the decision to not reserve WIOA carry-over funds for the PY2020-21 budget. However, PY2019-20 Youth expenditures are reduced due to COVID-19 and reduction in direct client services. This will likely increase carryover for PY 2020-21.
- WIOA Dislocated Worker funding is reduced due to the decision to not reserve WIOA carry-over funds for the PY2020-21 budget. However, PY2019-20 WIOA expenditures are reduced due to COVID-19 and reduction in direct client services. This will likely increase carryover for PY 2020-21.
- CWDB Prison to Employment is increased for PY2020-21 due to delay in PY2019-20 implementation due to staff diversion to COVID-19 activities.
- WIOA Disability Employment Accelerator DEA ended 12/31/19.
- WIOA Regional Planning funds end 9/30/20. The PY2020-21 proposed funding is the remaining grant funds to be expended.
- WIOA RPI 3.0 is a new grant in FY2020-21. While grant term start date is April 1, 2020, Regional Planning & Capacity Building (RPI 2.0) grant funds will be expended first.
- WIOA Work Based Learning Accelerator 6.0 ended in prior program year (PY2019-20).
- SBDC increased in PY2019-20 due to receipt of additional funding streams, primarily local donations and CARES funding from the Small Business Administration.
- Tipping Point Community Emergency Relief Fund (North Bay Fire Response) funding was allowed to be carried over into PY2020-21 until the funds are fully expended.
- CWDB AB1111 grant term start date is June 9, 2020, so not many expenditures in prior program year (PY2019-20).
- WIOA Disability Employment Accelerator (DEA VI) activities delayed due to COVID-19, plus grant term start date in fourth quarter of prior program year (PY2019-20).
- WIOA Veterans Employment Program (VEAP) activities delayed due to COVID-19, plus grant term start date in fourth quarter of prior program year (PY2019-20).
- COVID-19: WIOA Additional Assistance Rapid Response grant term start date in fourth quarter of prior program year (PY2019-20). Full year of activities in PY2020-21.
- COVID-19: WIOA National Dislocated Worker Grant new grant with activities beginning this program year (PY2020-21).
- COVID-19: First 5 less activity in prior fiscal year than anticipated and rolled over to this program year (PY2020-21).
- COVID-19: SBDC-CARES grant term start date in fourth quarter of prior fiscal year (PY2019-20). Full year of activities in this program year (PY2020-21).
- COVID-19: Wells Fargo Foundation (LOAF) anticipated revenue in PY2020-21. Subject to change with final carryover figures from prior program year (PY2019-20).
- COVID-19: Genentech, Inc. (LOAF) anticipated revenue in PY2020-21. Subject to change with final carryover figures from prior program year (PY2019-20).

- COVID-19: City of Benicia (LOAF) anticipated revenue in PY2020-21. Subject to change with final carryover figures from prior program year (PY2019-20).

### **Expenditures - 2019-20:**

#### **Unknowns:**

- Most grants awarded prior to COVID-19 experienced a reduction in expenditures, primarily in Staff time and direct Client costs (Training schools closed, OJT and Work Experience sites closed, correlating Supportive Services, social distancing, et al). Employer-related grants, however (Rapid Response grants, SBDC), experienced an increase in activity. Of note, the new COVID-19 grant awards picked up some of this slack and overflow.
- It is unknown when training (occupational and work-based learning) will resume due to the COVID-19 environment. These include training school re-openings and business re-openings for OJT, Work Experience and job search.

#### ***Expenditures - Explanation of Line-items:***

The expenditure levels are updated calculations and/or estimates of what will be required to operate programs in 2019-20. Overall, almost all Expenditure line-items have changed by plus or minus 10% due to COVID-19.

Direct Program Costs benefit job seekers, enrolled clients, and the business community.

- Training: OJT/Work-Based Learning have increased in PY2020-21 due to new grants that focus on work-based learning as a training strategy.
- Training-Related Supportive Services has increased in the proposed budget due to anticipated increased in need for supportive services due to COVID-19 and the economic downturn.
- Job Search Support Services has increased in the proposed budget due to anticipated increased in need for supportive services due to COVID-19 and the economic downturn. Funds for this line item increased due to COVID-19 grants that fund support for existing and future clients through the COVID-19 grants.
- Youth Apprenticeships\... are costs that allow for additional opportunities for Youth in temporary employment, along with correlating supportive services. In general, these costs were reduced in PY2019-20 due to cessation of these opportunities due to shut-down of businesses due to COVID-19. The remaining funds for SCOE's Youth contract are increased for PY2020-21. These are anticipated costs for pre-apprenticeship cohorts and work-based learning not covered under Youth contract with Solano County Office of Education (SCOE).
- Program Services costs have been reorganized and now only include costs for non-client-related contractual services. Currently, only the CWA contract for COVID-19 resource-gathering is reported here. Prison to Employment costs are now reported in the "Contracted Project Services" line-item.
- Business Services includes the cost of SBDC Advisors which increased due to COVID-19 activity in PY2019-20. It also includes business outreach through Rapid Response and SBDC to the business community. This line item increased in PY2019-20 due to the Layoff Aversion Fund (LOAF) expenditures but will be reduced with the contraction of the initiative.
- Program Design costs reflect the cost of CommunityPro referral software and the EMSI labor market research software. The budget for CommunityPro licenses decreased by \$10,000 under Prison to Employment grant.

Contracted Services: Regional (previously called "Regional: Planning and Employer Engagement") costs include regional (NBEC) awards, currently including the Regional Organizer / Training



Coordinator and the Regional Training funds. Costs have been reduced and carried over into the next fiscal year. Costs are up due to anticipated costs of new RPI 3.0 subcontract with Racy Ming.

Contracted Project Services (previously called “Partners: Project Services”) cost has been reorganized to include non-WIOA programmatic sub-contracts. For PY2020-21, these include a contract to Caminar for AB1111 and two contacts to CEO and Legal Services of Northern California under Prison to Employment.

Operating Expenses include:

- Facilities\... costs increased due to general increase in rents and required expenditures related to COVID-19 safety considerations.
- Communications\... costs decreased as some copier and equipment costs were redefined as Supplies and consolidation of computer software applications. In addition, PY2019-20 communications costs included costs associated with the move to 500 Chadbourne, which are no longer needed.
- Professional Development costs cover both staff and Board members. New grants include professional development expenditures that are included in this proposed budget.
- Accounting / Legal / D&O / County CAO & Auditor costs have decreased due to reduction in County CAO costs and in payroll service fees to ADP due to transfer of Work Experience payroll to subcontractor Career Catalyst.

**Budget Modifications:**

It is typical for the agency budget to be modified at times throughout a program year:

- A first modification is generally submitted, which includes final grant allotments, replacement of estimated funds carried over from the prior year with actual funds, recalculated line-item expenditure amounts to replace estimates, and changes in service delivery strategies
- Any subsequent modifications will be the result of changes in available grant funding, program design, and/or cost of goods and services

The WDB’s budget responsibility to the County has been satisfied by the submission of a budget for program year 2019-20. The County budget cycle is timed differently than the WDB cycle and allows for changes to be made to the County budget for new grant awards to align it with the WDB-approved program operation budgets. Staff anticipate a supplemental budget modification process to be completed with the county during the summer of 2020 to reallocate funds due to COVID-19 fiscal changes.

**ALTERNATIVES:**

Alternatively, the Board could choose not to approve and recommend this preliminary budget. However, the WDB would then begin the new fiscal year without a working budget.

**REPORT PREPARED BY:** Kirsti Muskat, Interim Fiscal Director. Please contact Kirsti at 707-863-3514 should you have any questions regarding the information outlined in this report.

  
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Heather Henry, President/Executive Director

**Workforce Development Board of Solano County**  
**REVENUE and EXPENDITURE PROJECTION**  
*Program Year of JULY 2020 through JUNE 2021*

	(1)	(2)	(3)	(4)	(5)	(6)
<b>GRANT FUNDING</b>	<b>FUNDING</b>	<b>%</b>	<b>FUNDING</b>	<b>%</b>	<b>DIFFERENCE</b>	<b>%</b>
	<b>2019/20</b>	<b>Share of</b>	<b>2020/21</b>	<b>Share of</b>	<b>Increase or</b>	<b>Change</b>
	<b>Approved 05/20</b>	<b>Budget</b>	<b>Proposed</b>	<b>Budget</b>	<b>(Decrease)</b>	
<b>WIOA Formula Allocations:</b>						
Adult	\$1,000,166	15.5%	\$1,014,221	14.5%	\$14,055	1%
Youth	1,058,200	16.4%	875,366	12.5%	(\$182,834)	-17%
Dislocated Workers	999,502	15.5%	895,775	12.8%	(\$103,727)	-10%
Administration	356,598	5.5%	326,000	4.6%	(\$30,598)	-9%
Rapid Response	169,129	2.6%	169,129	2.4%	\$0	0%
Rapid Response - Layoff Aversion	43,200	0.7%	42,700	0.6%	(\$500)	-1%
<b>SUB-TOTAL ALLOCATED WIOA:</b>	<b>\$3,626,796</b>	<b>56.3%</b>	<b>\$3,323,191</b>	<b>47.4%</b>	<b>(\$303,604)</b>	<b>-8%</b>
<b>Other:</b>						
TANF Success Track Subsidized Employment	\$700,000	10.9%	726,639	10.4%	\$26,639	4%
TANF Pathway to Employment	500,000	7.8%	500,000	7.1%	\$0	0%
CWDB Prison to Employment	114,147	1.8%	188,218	2.7%	\$74,071	65%
WIOA Regional Planning & Capacity Building	107,812	1.7%	57,397	0.8%	-\$50,415	-47%
WIOA Regional Planning & Capacity Bldg (RPI/Slingshot 3.0)	0	0.0%	153,000	2.2%	\$153,000	100%
WIOA Work Based Learning Accelerator 6.0	14,351	0.2%	0	0.0%	-\$14,351	-100%
WIOA Disability Employment Accelerator (DEA)	86,685	1.3%	0	0.0%	-\$86,685	-100%
Solano Small Business Development Center (SBDC)	389,000	6.0%	324,713	4.6%	-\$64,287	-17%
North Bay Fire Response	293,019	4.5%	44,200	0.6%	-\$248,819	-85%
CWDB AB1111	9,500	0.1%	225,065	3.2%	\$215,565	2269%
WIOA Disability Employment Accelerator (DEA VI)	9,540	0.1%	144,230	2.1%	\$134,690	1412%
WIOA Veterans Employment A Program (VEAP)	14,139	0.2%	363,344	5.2%	\$349,205	2470%
COVID-19: WIOA Additional Assistance Rapid Response	391,639	6.1%	528,600	7.5%	\$136,961	35%
COVID-19: WIOA National Dislocated Worker Grant	0	0.0%	205,000	2.9%	\$205,000	100%
COVID-19: First 5	25,000	0.4%	42,500	0.6%	\$17,500	70%
COVID-19: SBDC CARES Act	45,200	0.7%	132,757	1.9%	\$87,557	194%
COVID-19: Wells Fargo Bank Foundation (LOAF)	15,000	0.2%	9,500	0.1%	-\$5,500	-37%
COVID-19: Genentech, Inc. (LOAF)	50,000	0.8%	20,000	0.3%	-\$30,000	-60%
COVID-19: City of Benicia (LOAF)	50,000	0.8%	25,000	0.4%	-\$25,000	-50%
<b>SUB-TOTAL DISCRETIONARY:</b>	<b>\$2,815,032</b>	<b>43.7%</b>	<b>\$3,690,163</b>	<b>52.6%</b>	<b>\$875,131</b>	<b>31%</b>
<b>TOTAL</b>	<b>\$6,441,828</b>	<b>100.0%</b>	<b>\$7,013,354</b>	<b>100.0%</b>	<b>\$571,527</b>	<b>9%</b>

	(3)	(4)	(1)	(2)	(5)	(6)
<b>LINE-ITEM BUDGET</b>	<b>BUDGET</b>	<b>%</b>	<b>BUDGET</b>	<b>%</b>	<b>DIFFERENCE</b>	<b>%</b>
	<b>2019/20</b>	<b>Share of</b>	<b>2020/21</b>	<b>Share of</b>	<b>Increase or</b>	<b>Change</b>
	<b>Approved 05/20</b>	<b>Budget</b>	<b>Proposed</b>	<b>Budget</b>	<b>(Decrease)</b>	
<b>Direct Client Costs:</b>						
Training: Vocational Skills	\$477,750	7.4%	\$474,496	6.8%	(3,254)	-1%
Training: On-the-Job-Training / Work-Based Learning	73,000	1.1%	271,496	3.9%	198,496	272%
Training-Related: Support Services / Fees / Supplies	104,500	1.6%	116,600	1.7%	12,100	12%
Job Search: Success Track Wage Subsidy	95,000	1.5%	99,750	1.4%	4,750	5%
Job Search: Support Services / Fees / Supplies	170,200	2.6%	195,000	2.8%	24,800	15%
Youth: Apprenticeships / Work-Based Learning	25,000	0.4%	28,500	0.4%	3,500	14%
Youth: Vocational Skills / Tutoring	12,200	0.2%	3,500	0.0%	(8,700)	-71%
Youth: Contracted Work Experience	175,000	2.7%	210,568	3.0%	35,568	20%
Youth: Contracted Services	80,500	1.2%	103,712	1.5%	23,212	29%
Program Services	18,000	0.3%	15,600	0.2%	(2,400)	-13%
Business Services	310,000	4.8%	160,300	2.3%	(149,700)	-48%
Workforce System: AJCC / Outreach	125,785	2.0%	129,910	1.9%	4,125	3%
Program Design: Research / Software / Materials	19,500	0.3%	26,000	0.4%	6,500	33%
Sub-total	1,686,435	26.2%	1,835,432	26.2%	148,997	9%
<b>Contracted Services: Regional Partners (NBEC)</b>	<b>116,458</b>	<b>1.8%</b>	<b>131,038</b>	<b>1.9%</b>	<b>14,580</b>	<b>13%</b>

<b>Contracted Services: Project Services</b>	<b>86,685</b>	1.3%	<b>255,300</b>	3.6%	168,615	195%
<b>Personnel: Salaries + Benefits/Taxes</b>	<b>3,739,286</b>	58.0%	<b>3,934,063</b>	56.1%	194,777	5%
<b>Operating Expenses:</b>						
Facilities	<b>395,769</b>	6.1%	<b>449,831</b>	6.4%	54,062	14%
Communications & Information Network / Equip / Software	<b>147,007</b>	2.3%	<b>128,216</b>	1.8%	(18,791)	-13%
Supplies / Printing / Postage / Furniture-Office Equip.	<b>57,085</b>	0.9%	<b>62,500</b>	0.9%	5,415	9%
Professional Development	<b>32,545</b>	0.5%	<b>57,609</b>	0.8%	25,064	77%
Employee Mileage	<b>33,200</b>	0.5%	<b>30,544</b>	0.4%	(2,656)	-8%
Accounting / Legal / D&O / County CAO & Auditor	<b>147,358</b>	2.3%	<b>128,821</b>	1.8%	(18,537)	-13%
Sub-total	<b>812,964</b>	12.6%	<b>857,521</b>	12.2%	44,557	5%
<b>TOTAL</b>	<b>6,441,828</b>	100.0%	<b>7,013,354</b>	100.0%	571,526	9%