



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

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Receive the Monterey County Workforce Development Board Fiscal Year (FY) 2022-23 Semiannual Financial Status Report for the Workforce Innovation and Opportunity Act (WIOA) funded programs through December 31, 2022

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Receive the Monterey County Workforce Development Board Fiscal Year (FY) 2022-23 Semiannual Financial Status Report for the Workforce Innovation and Opportunity Act (WIOA) funded programs through December 31, 2022

SUMMARY/DISCUSSION:

Workforce Innovation and Opportunity Act (WIOA) revenues are drawn down from the State Employment Development Department (EDD) and from the Department of Labor (DOL) as expenses are incurred. Expenses are paid on a reimbursement basis from State and Federal allocations. Program expenditures are aligned with program revenue. The Workforce Development Board (WDB) receives its funding in two rounds for the Adult and Dislocated Worker programs. The first round of funding is July 1, 2022 - September 30, 2022, which is 16% of the allocation; the second-round funding is October 1, 2022- June 30, 2023, providing the remaining 84% of the allocation.

The WDB has up to two years to spend down its Adult and Dislocated Worker formula allocations. WIOA Youth funding is similarly allocated. The prior year's allocation from a given funding stream must be fully expended before the current year's allocation will be made available, and allocation amounts unspent after two years are recaptured by the State. The WDB can transfer funding from the Adult program to the Dislocated Worker program, or from Dislocated Worker to Adult; however, depending on current circumstances, funds cannot be transferred to or from the Youth program.

As the fiscal agent for regional grants, the WDB is the lead on key initiatives for the North Central Coast Regional Planning Unit (RPU) which includes the workforce development boards of Monterey, Santa Cruz, and San Benito counties. The WDB is the lead on the Senate Bill 1 (SB1) grant that funds a tri-county pre-apprenticeship training program provided in partnership with the Monterey/Santa Cruz Building and Construction Trades Council to provide training to 110 individuals over a two-year period. The WDB is also the lead workforce development board for Regional Training Coordination for WIOA staff and partners in the America's Job Centers of California (AJCC).

The WDB has an agreement with Equus Workforce Solutions (formerly ResCare) to provide WIOA career and training services to Adults and Dislocated Workers. For FY 2022-23, Equus had goals to enroll and serve 350 Adults and 150 Dislocated Workers with training and employment opportunities.

In addition, the WDB has an agreement with Equus and Turning Point to provide WIOA Youth services in northern Monterey County. During the current fiscal year, both service providers' goals were to enroll and serve 110 Youth participants and provide 65 of these youth with work experience and 50 with occupational skills training (OST).

The WDB applied for and received a \$2.8 million non-WIOA grant from the Governor's 2021-22 ARPA funds to provide a CaliforniansForAll Youth Job Corps Employment Program over two years. The MCWDB will work with 140 young adults (18-30), running 4 cohorts of 25 youth, working 24 weeks for up to 35 hours a week and making \$18.00 per hour. In addition, the WDB will run a summer program in 2023 for 40 youth (16-18), working 8 weeks. The program aims to increase youth employment, develop meaningful career pathways for youth, and help cities and communities bolster their ability to address food insecurity, climate change and COVID-19 recovery.

The WDB has also received non-WIOA funding from the Probation Department to provide training opportunities to participants under Assembly Bill (AB) 109 Program special project grants. In addition, the Silver Star youth program is funded through the County.

The WDB's financials as of December 31, 2022, are as follows:

2023-24 Total WIOA Formula Allocations	\$ 6,628,190
2022-23 Total WIOA Funds Carried In	\$ 4,733,349
Total Available WIOA Funds on July 1, 2022	\$11,361,539
Less Expenses through December 31, 2022	(\$ 3,543,796)
WIOA Formula Grants, total Balance	\$ 7,817,743
Total Available Other Grants Funds on July 1, 2022	\$ 711,544
Less Expenses through December 31, 2022	(\$ 333,614)
Other Grants, Total Balance	\$ 377,930
Total Available State Discretionary Funds on July 1, 2022	\$ 3,415,046
Less Expenses through December 31, 2022	\$ 526,674
State Discretionary Grants, Total Balance	\$ 2,888,372

The COVID-19 pandemic and the period of economic uncertainty that followed have had an impact on the WDB's ability to provide a full array of workforce development services directly to the public for the first two quarters in FY 2022-23. Although the WDB and its service providers continue to see lower numbers of individuals accessing services, the WDB has used several new approaches and technologies to reach out to and serve current and new participants looking for employment or training services. This decline in individuals' participation has been a common occurrence for WDBs in California and across the United States.

The State EDD has also reduced the number of eligible training providers that can be recommended to participants requesting training, which has had an impact on our expenditure rate. The WDBs in California are required to spend 30% of their Adult and Dislocated Worker funds on training. The WDB has not been able to provide the full suite of training services to clients, which is reflected on the spending reported above. The WDB has a significant amount of carry-in funding from both of its adult WIOA programs, but primarily in the Dislocated Worker grant, due to the low unemployment rate during this reporting period and the state of the current labor force with more jobs being posted than there are individuals to fill those jobs. Funds from Program Year 2021-22 must be fully expended before the WDB can begin to use this current year's allocation. Based on fewer enrollments in the Dislocated Worker program and the reduction of State-approved training providers, client training has been considerably underspent, which is the bulk of the carry-in funds from prior years, and which must be made up during this fiscal year.

OTHER AGENCY INVOLVEMENT:

The WDB is partnering with the Probation Department for the AB 109 grant and the County Administrative Office for the Silver Star Program.

FINANCING:

There is no financial impact to Monterey County General Funds in receiving this report.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This work supports the Board of Supervisors' Strategic Initiative that supports economic development, system alignment and accountability, service integration and continuous improvement.

- √ Economic Development: Through collaboration, strengthen economic development to ensure a diversified and healthy economy

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ATTACHMENTS:

Board Report

FY 2022-23 Semiannual Report