



Monterey County

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 FY 2021-22 Semiannual Financial/Close Out Status Report for the Workforce Innovation and Opportunity Act (WIOA) funded programs through June 30, 2022

RECOMMENDATION:

It is recommended that the Budget Committee:

Receive the Monterey County Workforce Development Board FY 2021-22 Semiannual Financial/Close Out Status Report for the Workforce Innovation and Opportunity Act (WIOA) funded programs through June 30, 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, 2021 - September 30, 2021, which is 16% of the allocation; the second-round funding is October 1, 2021- June 30, 2022, 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 could 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 North Central Coast RPU has received funding for the planning and oversight of the Regional Plan Implementation/Slingshot 4.0 grant for coordination and training of WDB staff and partners, as well as dealing with issues relating to COVID-19 around staffing and training.

In addition to the regional initiatives discussed above, 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 also received a discretionary grant funding through National Dislocated Worker Grants (NDWG) to provide work experience and restoration projects at various State Parks in Monterey County that had experienced damages from the wildfires in August 2020.

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 2021-22, Equus had goals to enroll and serve 225 Adults and 225 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 FY 2021-22, both service providers’ goals were to enroll and serve 80 Youth participants and provide 55 of these youth with work experience and 49 with occupational skills training (OST).

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. In FY 2021-22, the Silver Star program overspent its allocation by \$10,211 to pay participants’ wages. It is anticipated that FY 2022-23 funding allocated to Silver Star will be used to cover the overage.

The WDB’s financials as of June 30, 2022 are as follows:

2021-22 Total WIOA Formula Allocations	\$ 6,650,312
2020-21 Total WIOA Funds Carried In	<u>\$ 4,725,981</u>
Total Available WIOA Funds on July 1, 2021	\$11,376,293
Less Expenses Through June 30, 2022	(\$ 6,039,848)
WIOA Formula Grants, Total Balance	<u>\$ 5,336,445</u>
Total Available Other Grants Funds on July 1, 2021	\$ 704,650
Less Expenses Through June 30, 2022	<u>(\$ 626,754)</u>
Other Grants, Total Balance	<u>\$ 77,896</u>
Total Available State Discretionary Funds on July 1, 2021	\$1,068,960
Less Expenses through June 30, 2022	<u>(\$ 489,052)</u>
State Discretionary Grants, Total Balance	<u>\$ 579,909</u>

The COVID-19 pandemic had an impact on the WDB’s ability to provide workforce development services directly to the public for the first three quarters in FY 2021-22. Although the WDB and its service providers continue to see a decline in the number of individuals accessing services in FY 2021-22, the WDB has used a number of 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 employment and training services to clients, which is reflected on the spending reported above. The WDB has a significant amount of carry-in funding that must be used before it can begin to use this current year's allocation. Based on fewer enrollments and State-approved training providers, client training has been considerably underspent, which must be made up during this fiscal year.

The Monterey County Workforce Development Board received its formula funding allocation for FY 2022-23, totaling \$7,037,579, representing an increase of 8% from its 2021-22 allocation.

OTHER AGENCY INVOLVEMENT:

The WDB is partnering with the Probation Department for the AB 109 grant and the CAO 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.

Prepared by: Elizabeth Kaylor, Management Analyst II, 5385

Approved by: Christopher Donnelly, WDB Executive Director, 6644



ATTACHMENTS:

Board Report

FY 2021-22 Semiannual Report