

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: February 7, 2012 - CONSENT	AGENDA NO: 18
SUBJECT: a) Approve and authorize the Director of Social & Employment Services to implement a CalWORKs Wage Subsidy program; and b) Approve and authorize the addition of 1.0 FTE Workforce Investment Board Employment Programs Supervisor; and c) Authorize the Auditor-Controller to amend appropriations and estimated revenues in SOC009 by \$424,000 and in SOC005 by \$424,000 (4/5 th Vote Required); and d) Authorize the County Administrative Office and the Auditor-Controller to amend the position count in SOC009.	
DEPARTMENT: Social & Employment Services	

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a) Approve and authorize the Director of Social & Employment Services to implement a CalWORKs Wage Subsidy program; and
- b) Approve and authorize the addition of 1.0 FTE Workforce Investment Board Employment Programs Supervisor; and
- c) Authorize the Auditor-Controller to amend appropriations and estimated revenues in SOC009 by \$424,000 and in SOC005 by \$424,000 (4/5th Vote Required); and
- d) Authorize the County Administrative Office and the Auditor-Controller to amend the position count in SOC009.

SUMMARY:

In February 2011, the State Legislature passed SB 72 to facilitate implementation of a wage subsidy alternative to CalWORKs grant payments. Under the Wage Subsidy program, the CalWORKs Welfare-to-Work Program has the option to work with CalWORKs customers to redirect their cash assistance grant towards a wage subsidy alternative that supports families through employment rather than cash assistance. This program provides CalWORKs customers with an effective resource in pursuing employment and self-sufficiency. Recommended actions will allow the Department of Social & Employment Services to implement the CalWORKs Wage Subsidy Program.

DISCUSSION:

Under SB 72, the Department may work with recipients to use their assistance grant to match up to 50% less \$56 of a wage. (The \$56 reduction was added as a compromise to offset the impact of earned income disregards and assure cost neutrality to the State.) The remaining share of the wages are matched by the employer and supported by resources available in the County's CalWORKs Single Allocation. CalWORKs recipients may remain in the wage subsidy program for 6 months and if a longer period is necessary for the employer and CalWORKs participant to reach a positive employment outcome, the program services can be extended to 12 months.

This program will provide valuable work experience for CalWORKs participants, and support improvements to the County's Federal work participation requirement. The Department of Social & Employment Services will leverage the resources of its integrated Employment Services Branch incorporating the skills and expertise of CalWORKs Employment staff and the Office for Employment Services to implement the program, which will be referred to as *Workforce Solutions*.

Monterey County achieved overwhelming success in providing subsidized employment opportunities to over 1,526 CalWORKs and other low-income families through the American Reinvestment and Recovery Act Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) program that ended on September 30, 2010.

While *Workforce Solutions* does not allow for subsidy to 100% of wages and will not be as large as the TANF ECF program, it does build upon the earlier successes and utilizes the flexibility provided by SB 72 to improve options for families receiving CalWORKs.

Office for Employment and Training staff will leverage ongoing experience with employers and trainees in developing work experience contracts that are matched by employer contributions. Funds from the CalWORKs Wage Subsidy Program will offset staffing expenses in the Office for Employment and Training to allow for addition of a needed Workforce Investment Board Employment Programs Supervisor who will supervise the activities of *Workforce Solutions*. Activities needed to make the program successful include assessing CalWORKs job seekers, matching job seekers and employers, case management, evaluating job performance, recruiting potential employers, linking employers to Work Opportunity Tax Credits and the Salinas Valley Enterprise Zone benefits.

OTHER AGENCY INVOLVEMENT:

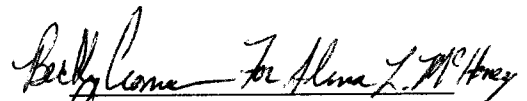
Human Resources concurs with this recommendation. The CAO-Budget Analysis Division has reviewed budget unit 8262 (Social Services) prior revenue performance for the previous two years and found that budgeted revenues have not been fully realized over this period of time. The department has successfully managed to the General Fund contribution overall. The risk of over estimating revenues and increasing appropriations is that expenditures can occur without supporting revenue. At this point, the CAO-Budget Analysis Division cannot confirm the amount that the wage subsidy program will increase actual revenue and additionally if unit 8262 will meet currently budgeted revenue totals. The CAO-Budget Analysis Division will plan on working closer with the department in an effort to develop budgets aligned to actual revenue/expenditure experience in the future.

FINANCING:

Funding is being provided by the Subsidized Employment Program (AB 98) and the CalWORKs Single Allocation. The increased appropriations and estimated revenues are requested for a partial year. There is no impact to the County General Fund.



Elliott Robinson, Director
Department of Social and Employment Services
Date: 1/27/12



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Date: 1/30/12