



**WORKFORCE DEVELOPMENT BOARD**  
OF SOLANO COUNTY

**Upcoming Special Budget Committee Meeting Announcement**

**Date: Friday, May 15, 2020**

**Time: 9:00 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/85759513522>

Meeting ID: 857 5951 3522

Password: 336486

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 May 14, 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 is our highest priority.



## WORKFORCE DEVELOPMENT BOARD

OF SOLANO COUNTY

### SPECIAL BUDGET COMMITTEE MEETING

Friday, May 15, 2020

9:00 a.m. – 10:00 a.m.

#### Join Zoom Meeting

<https://us02web.zoom.us/j/85759513522>

Meeting ID: 857 5951 3522

Password: 336486

### 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 May 14, 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. Approval of February 21, 2020 Meeting Minutes
  - B. Review and Approval of the Third Modification to the Program Year 2019-20 Budget
- V. **Discussion**
  - A. Update on Status of Budget for Fiscal Year 2020-2021
- VI. **Closed Session**
  - A. Pursuant to §54957.6(a) Discussion Regarding Proposed Employee Retirement Plan – 2019 Employer Contribution as it Relates to Current Budget
- VII. **Reconvene Open Session**
  - A. Pursuant to §54957.6(a) Report on any Action Resulting from Closed Session
- VIII. **Adjournment**

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

**MINUTES  
BUDGET COMMITTEE MEETING  
February 21, 2020**

**I. Welcoming/Convening**

Committee Chair, Mario Giuliani, called the meeting to order at 1:03 p.m. Quorum was established.

**Members Present:** Mario Giuliani (Chair), Fadi Halabi, Tami Lukens

**Members Absent:** Dr. Celia Esposito-Noy, Tim Healer

**Staff Present:** Heather Henry, Kirsti Muskat, Tammy Gallentine

Ms. Henry introduced Ms. Tami Lukens, Senior Management Analyst with the Solano County Administrator's Office, as the new non-Board member who will be serving on the Budget Committee and Executive Committee.

**II. Additions and/or Deletions from the Agenda**

There were no additions to or deletions from the agenda.

**III. Public Comment**

Ms. Henry announced the WDB was reviewed closely during the Solano County audit. The WDB received a finding for failing to spend the minimum 20% requirement within WIOA Youth Work Experience. WDB has been working to build up the enrollment to meet expenditure requirements including contracting youth services through Solano County Office of Education.

Ms. Henry further announced discussion with the Solano County Administrator's Office regarding the Solano County MOU. There will be some updates to the MOU including looking closer at the fiscal relationship with the County.

**IV. Action Items**

**A. Approval of September 10, 2019 Meeting Minutes**

**MOTION #1**

**A motion was made and seconded to approve the September 10, 2019 Meeting Minutes. (Halabi/Giuliani) MOTION PASSED UNANIMOUSLY.**

**B. Review and Approval of the Second Modification to the Program Year 2019-20 Budget**

Ms. Henry gave a detailed overview of agenda item **IV.B Review and Approval of the Second Modification to the Program Year 2019-20 Budget**, which was included as part of the agenda package and incorporated herein, noting there will be a review of the chart of accounts and budget categories to ensure there is a clear structure. The new structure will eliminate the need of creating manual data reports and entry, potential human error, and will be more efficient. The current fiscal structure is not designed to handle discretionary grants. The Budget Committee will review the proposed structure prior to implementing the new process. Staff will be meeting with the County Auditor to discuss the best approach. The goal is to implement the new structure beginning Fiscal Year 2020-2021.

Ms. Henry reiterated that the finding made during the Solano County audit was not due to inappropriate spending but instead was due to not meeting the target minimum expenditure on youth work experience. The finding was for fiscal year ending 2019. The youth program has always been an issue due to low enrollments but there is progress.

**MOTION #2**

**A motion was made and seconded to approve the Second Modification to the Program Year 2019-20 Budget.**

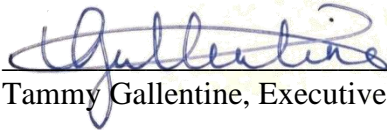
**(Halabi/Giuliani) MOTION PASSED UNANIMOUSLY.**

**V. Adjournment**

The meeting was adjourned at 1:50 p.m.

Note: The next Budget Committee meeting has not been scheduled.

Respectfully submitted by:



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Tammy Gallentine, Executive & Board Support Specialist



**WORKFORCE DEVELOPMENT BOARD**

OF SOLANO COUNTY

**AGENDA SUBMITTAL**

<b>SUBJECT:</b> Review and Approval of the Third Modification to the Program Year 2019-20 Budget	<b>MEETING DATE</b> May 15, 2020	<b>AGENDA ITEM</b> IV.B
<b>FROM:</b> Heather Henry, President/Executive Director	<b>ACTION REQUIRED</b> YES ✓ NO	<b>ATTACHMENTS</b> CHART A

**RECOMMENDATION:**

Attached is the Third Modification to the organizational budget for the program year 2019-20 presented to the Workforce Development Board of Solano County (WDB) Budget Committee at the May 15, 2020, meeting for their review and recommendation to the Board at the WDB Board meeting to be held on May 22, 2020. Note that the Budget Committee approved the Second Modification for recommendation to the Board at the February 21, 2020, Budget Committee Meeting. Due to COVID-19, it was approved by the Executive Committee on behalf of the full Board at their April 3, 2020, Executive Committee Meeting.

WDB Staff recommends that the Budget Committee approve the Third Modification to the Program Year 2019-20 Budget. This modification for the Budget focuses on fiscal changes as a result of COVID-19.

**SUMMARY:**

This third budget modification reflects recommended changes to the last approved budget (04/20). It reflects changes due to new grant awards and to the onset and continuation of the COVID-19 environment.

The projected budget for program year 2019-20 of \$6,541,828 represents an overall increase in available grant funding of \$365,825, or +5.9%.

**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 has focused 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.
  - *This modification does not include Youth funding for the up-coming 2020-21 Program Year. This fiscal year budget did not warrant it. In addition, WDB has yet to receive Program Year 2020-21 WIOA Formula Fund allotment amounts from the State (EDD). This information is usually received by mid-April.*
- Minimize the amount of carryover reserved for following budget period.
  - *This modification now allows for a carryover of \$350,685 into the 2020-21 WIOA Adult, Dislocated Worker and Youth grants.*
- Stretch existing funding by increasing organizational productivity and efficiency.
  - *Functional realignments are underway for implementation in the first and second quarters.*

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

- ***Chart A:*** This chart compares the Grant Funding and the corresponding Line-Item Budget of the Second approved budget modification to this modification, the Third, of Program Year 2019-20.

### **Revenue – 2019-20**

#### **Unknowns**

- The amount of COVID-19-related funding that may be awarded in 2019-20 is subject to change. 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. In the COVID-19 grant pipeline is the WIOA National Dislocated Worker Grant – Employment Recovery, but final terms are still unknown.
- 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 2019-20 Second to Third Modification:**

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

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

- WIOA Youth is reduced due to COVID-19 and reduction in direct client services. This increases carryover for Program Year 2020-21.
- CWDB Prison to Employment is reduced due to delay in implementation due to staff diversion to COVID-19 activities.
- WIOA Disability Employment Accelerator DEA ended 12/31/19. However, \$28,221 was de-obligated and returned to the state primarily due to a contractual services provider coming in under budget (Solano County Office of Education (SCOE) and the Disability Resources Navigator (DRN) contract).
- Regional Planning decreased due to anticipated reduction in activities.
- SBDC increased due to receipt of additional funding streams, primarily local donations and CARES funding from the Small Business Administration.
- Grant Funds with 100% Change are all new funding streams, both non-COVID and COVID-related awards that began in March or thereafter.

## **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 be up-and-running again due to the COVID-19 environment. These include training school re-openings and business re-openings for OJT, Work Experience and job search.
- A new Managed IT Service Provider contract has been awarded. Unknowns include one-time start-up costs and upgrade costs to current computers and laptops, both software and hardware.

### ***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\... costs in the three Training line-items can be treated as an integrated group. These costs are for vocational skills and “job keeping” skills, and the support services needed to enable a participant to succeed in the program. The amounts have changed due to the COVID-19 environment, which reduced training expenditures due to Training closures, OJT/Work Experience/Transitional Job sites closing, social distancing, et al.
- Job Search Support Services are costs for transportation and childcare, program fees and supplies, that enable clients to complete their programs. Supportive Services 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, the reduction is due to cessation of these opportunities due to shut-down of businesses due to COVID-19. We received our first invoices for the Youth program contract with Solano County Office of Education (SCOE) and the Program and Work Experience expenditures came in differently than budgeted.
- Program Services costs now only include costs for non-client-related contractual services. Currently, only the CWA contract for COVID-19 resource-gathering is reported here. Prison 2 Employment costs are now reported in the “Regional: Planning / Training / Employer Engagement” line-item.
- Business Services includes the cost of SBDC Advisors which increased due to COVID-19 activity. It also includes business outreach through Rapid Response and SBDC to the business community, and now includes Layoff Aversion Fund (LOAF) expenditures.
- Workforce System\... costs have increased due to the COVID-19 environment and purchase of COVID-19-related supplies and computer-related needs – both software and hardware - in order to allow staff to work remotely. It also reflects the projected budget decrease in the One-Stop Operator contract (from \$75,000 down to \$30,000).
- 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 2 Employment grant.

Regional costs include regional (NBEC) awards, currently including the Regional Organizer / Training Coordinator and the Prison 2 Employment grants. Costs have been reduced and carried over into the next fiscal year.

Partners cost currently consists of DEA grant which closed December 31, 2019. \$28,221 was de-obligated and returned to the State (EDD), primarily due to SCOE’s DEA DRN contract coming in under budget.

Operating Expenses include:

- Facilities\... costs decreased due to end of Pathway to Success lease on Monterey Street (\$15K)
- Communications\... costs decreased as some copier and equipment costs were redefined as Supplies.
- Supplies\... costs increased with a reclassification of some copier and equipment costs, and a recalculation of printing costs.
- Professional Development costs cover both staff and Board members.

### **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

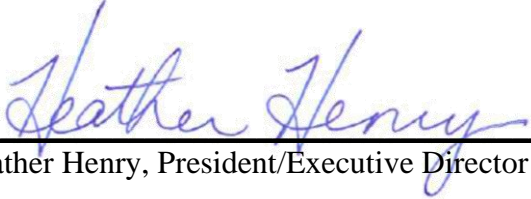
The WDB’s budget responsibility to the County has been satisfied by the submission of a budget for program year 2019-20. The County budget cycle is timed differently than the WDB cycle, and allows for changes to be made to the County budget for new grant awards to align it with the WDB-approved program operation budgets.



**ALTERNATIVES:**

Alternatively, the Board could choose not to approve and recommend this Third Modification to the Program Year 2019-20 Budget, leaving the Program Year 2019-20 Budget at Second Modification levels. This budget would not be a fair representation of the current budget, especially with the addition of multiple new funding streams. However, all budget-to-actual discrepancies could be explained.

**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 BUDGET MODIFICATION #3  
Program Year of JULY 2019 through JUNE 2020**

**CHART A**

<b>GRANT FUNDING</b>	(1)	(2)	(3)	(4)	(5)	(6)
	FUNDING 2019/20 Approved 04/20	% Share of Budget	FUNDING 2019/20 Projected 05/20	% Share of Budget	DIFFERENCE Increase or (Decrease)	% Change
<b>WIOA Formula Allocations:</b>						
Adult	1,063,984	17.2%	\$1,000,166	16.0%	-\$63,818	-6%
Youth	1,218,379	19.7%	1,058,200	16.9%	(160,179)	-13%
Dislocated Workers	1,076,864	17.4%	999,502	15.9%	(77,362)	-7%
Administration	373,247	6.0%	356,598	5.7%	(16,649)	-4%
Rapid Response	211,829	3.4%	212,329	3.4%	500	0%
SUB-TOTAL ALLOCATED WIOA:	\$3,944,303	63.9%	\$3,626,796	57.8%	(\$317,507)	-8.0%
<b>Other:</b>						
TANF Success Track Subsidized Employment	700,000	11.3%	\$700,000	11.2%	\$0	0%
TANF Pathway to Employment	500,000	8.1%	327,542	5.2%	(172,458)	-34%
CWDB Prison to Employment	154,095	2.5%	114,147	1.8%	(39,948)	-26%
WIOA Regional Planning & Capacity Building	126,622	2.1%	107,812	1.7%	(18,810)	-15%
WIOA Work Based Learning Accelerator 6.0	14,351	0.2%	14,351	0.2%	0	0%
WIOA Disability Employment Accelerator DEA	114,906	1.9%	86,685	1.4%	(28,221)	-25%
Solano Small Business Development Center (SBDC)	328,707	5.3%	389,000	6.2%	60,293	18%
North Bay Fire Response	293,019	4.7%	293,019	4.7%	0	0%
CWDB AB1111	0	0.0%	9,500	0.2%	9,500	100%
WIOA Regional Planning & Capacity Building (RPI 3.0)	0	0.0%	0	0.0%	0	0%
WIOA Disability Employment Accelerator (DEA VI)	0	0.0%	9,540	0.2%	9,540	100%
WIOA Veterans Employment A Program (VEAP)	0	0.0%	14,139	0.2%	14,139	100%
COVID-19: WIOA Additional Assistance Rapid Response	0	0.0%	391,639	6.2%	391,639	100%
COVID-19: First 5	0	0.0%	25,000	0.4%	25,000	100%
COVID-19: SBDC CARES Act	0	0.0%	45,200	0.7%	45,200	100%
COVID-19: Wells Fargo Bank Foundation (LOAF)	0	0.0%	15,000	0.2%	15,000	100%
COVID-19: Genentech, Inc. (LOAF)	0	0.0%	50,000	0.8%	50,000	100%
COVID-19: City of Benicia (LOAF)	0	0.0%	50,000	0.8%	50,000	100%
SUB-TOTAL DISCRETIONARY:	\$2,231,700	36.1%	\$2,642,574	42.2%	\$410,874	18.4%
<b>TOTAL</b>	<b>\$6,176,003</b>	<b>100.0%</b>	<b>\$6,269,370</b>	<b>100.0%</b>	<b>\$93,367</b>	<b>1.5%</b>

<b>LINE-ITEM BUDGET</b>	(1)	(2)	(3)	(4)	(5)	(6)
	BUDGET 2019/20 Approved 04/20	% Share of Budget	BUDGET 2019/20 Projected 05/20	% Share of Budget	DIFFERENCE Increase or (Decrease)	% Change
<b>Direct Program Costs:</b>						
Training: Vocational Skills	\$580,688	9.4%	\$477,750	7.6%	-\$102,938	-18%
Training: On-the-Job-Training / Work Based Learning	143,000	2.3%	73,000	1.2%	(70,000)	-49%
Training-Related: Support Services / Fees & Supplies	100,000	1.6%	104,500	1.7%	4,500	5%
Job Search: Success Track Wage Subsidy	95,000	1.5%	95,000	1.5%	0	0%
Job Search: Support Services / Fees & Supplies	47,450	0.8%	170,200	2.7%	122,750	259%
Youth: Apprenticeships / Work Based Learning	35,308	0.6%	25,000	0.4%	(10,308)	-29%
Youth: Vocational Skills / Support Services	52,000	0.8%	12,200	0.2%	(39,800)	-77%
Youth: Contracted Services-Work Experience	67,743	1.1%	175,000	2.8%	107,257	158%
Youth: Contracted Services	229,516	3.7%	80,500	1.3%	(149,016)	-65%
Program Services	57,000	0.9%	18,000	0.3%	(39,000)	-68%
Business Services	96,456	1.6%	310,000	4.9%	213,544	221%
Workforce System: AJCC / Outreach	94,500	1.5%	125,652	2.0%	31,152	33%
Program Design: Research / Software / Materials	29,500	0.5%	19,500	0.3%	(10,000)	-34%
Sub-total	1,628,161	26.4%	1,686,302	26.9%	\$58,141	3.6%
<b>Regional: Planning / Employer Engagement</b>	<b>\$96,956</b>	<b>1.6%</b>	<b>\$116,458</b>	<b>1.9%</b>	<b>\$19,502</b>	<b>20.1%</b>
<b>Partners: Project Services</b>	<b>\$44,201</b>	<b>0.7%</b>	<b>\$86,685</b>	<b>1.4%</b>	<b>\$42,484</b>	<b>96.1%</b>
<b>Personnel: Salaries + Benefits/Taxes</b>	<b>\$3,598,030</b>	<b>58.3%</b>	<b>\$3,576,828</b>	<b>57.1%</b>	<b>-\$21,202</b>	<b>-0.6%</b>
<b>Operating Expenses:</b>						
Facilities	\$402,006	6.5%	\$385,902	6.2%	-\$16,104	-4%
Communications & Information Network / Equip / Software	142,135	2.3%	147,007	2.3%	4,872	3%
Supplies / Printing / Postage / Furniture-Office Equipment	55,445	0.9%	57,085	0.9%	1,640	3%
Professional Development	30,014	0.5%	32,545	0.5%	2,531	8%
Employee Mileage	31,697	0.5%	33,200	0.5%	1,503	5%
Accounting / Legal / D&O / County CAO & Auditor	147,358	2.4%	147,358	2.4%	0	0%
Sub-total	808,655	13.1%	803,097	12.8%	-\$5,558	-0.7%
<b>TOTAL</b>	<b>6,176,003</b>	<b>100.0%</b>	<b>6,269,370</b>	<b>100.0%</b>	<b>\$93,367</b>	<b>1.5%</b>