

Agency: 354 Work Force Train & Educ Coord Board
Decision Package Code/Title: AJ Additional 5% GFS Reduction
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This is a reduction of General Fund State expenditure authority as directed by the Governor.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(69,000)	(69,000)	(138,000)
Total Cost	(69,000)	(69,000)	(138,000)
Staffing	<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs	-2	-2	-2

Package Description:

The Governor instructed agencies to identify an additional five percent reduction in General Fund State spending authority. This package complies with that direction.

These additional reductions further impact Administration (A002), Workforce Research and Performance Accountability (A007), Adult Workforce Needs (A011), and Industry Workforce Needs (A013).

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Performance Measure Detail

Activity:

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The agency's 2010-2015 Strategic Plan contains goal areas and strategies that will be impaired, delayed, or simply not implemented. The WA Workforce Board is widely regarded as one of the premier workforce agencies in the country due to its planning, coordination, evaluation, and policy-making efforts. These significant activities will be severely limited with these additional reductions. The high esteem by national associations such as the National Governor's Association and other states of the agency will suffer.

Does this decision package provide essential support to one of the Governor's priorities?

The agency's work supports two key priorities of the Governor: promoting economic development and attaining world class student achievement. The WA Workforce Board, with its tripartite representation of business, labor, and government is pivotal to the state's ability to sustain employment and training efforts during these difficult economic times. These additional reductions will significantly weaken the support for businesses and workers.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This additional reduction impacts the two priorities mentioned above and further erodes the ability of the state to accelerate its recovery from the recession. This is a high priority for the state.

What are the other important connections or impacts related to this proposal?

Reduced customer service and a more limited ability to effectively and consistently broker partnership relations will result from this reduction. This will be especially true in the Industry and Research Workforce goal areas, as well as the Adult Workforce area, where reduced support for the employer and industry activities, reduced evaluation activities, and reduced customer protection efforts become the norm. Additionally, measuring the performance results of the workforce system will be hampered. These additional reductions come at a time when workforce development should be the highest priority for the state.

What alternatives were explored by the agency, and why was this alternative chosen?

Not applicable.

What are the consequences of not funding this package?

Not applicable.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

The agency's reductions were provided by the OFM Budget Office.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

This additional reduction represents savings from reduced staffing, administrative efficiencies, and cancellations of research and

demonstration and evaluation personal service contracts. As the state's budget climate improves, these reductions should be made whole.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(22,000)	(22,000)	(44,000)
B Employee Benefits	(7,000)	(7,000)	(14,000)
C Personal Service Contracts	(32,000)	(32,000)	(64,000)
E Goods And Services	(8,000)	(8,000)	(16,000)
Total Objects	(69,000)	(69,000)	(138,000)