

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 187
May 28th, 2015**

WORKFORCE BOARD FISCAL YEAR 2016 OPERATING BUDGET

The agency's operating budget is guided by the goals, objectives, and strategies contained in its operating plan which the Board will review and adopt at this same meeting. The strategies identified in the operating plan represent the agency's work plan for the year, and resources are aligned to address them. The operating budget defines the categories of anticipated expenditures necessary to accomplish this work. A summary of programs identifies the agency's total resources and specific resources for each program. The Agency Source of Funds and Operating Budget Sheet for FY 2016 follows the Program Summary. An appendix is included that contains a comparison by program for FY 2015 and FY 2016 of the major cost categories, including salaries, fringe benefits, goods and services, travel, contracts, and grants. The 2015-2017 Biennial Budget as well as the 2015 Supplemental Budget containing General Fund State and Federal appropriations for state fiscal year 2015, 2016 and 2017 have yet to be finalized.

Board Action Requested: Adoption of the Recommended Motion.

RECOMMENDED MOTION

WHEREAS, The Workforce Training and Education Coordinating Board uses the agency operating plan for 2015-2016, containing goals, objectives, and strategies for accomplishing its work; and

WHEREAS, The 2015-2017 Biennial Budget is expected to be finalized and will contain appropriations for the Workforce Training and Education Coordinating Board for the period July 1, 2015, through June 30, 2016; and

WHEREAS, the operating budget identifies the required resource needs for the coming year; and

WHEREAS, each year, the Workforce Training and Education Coordinating Board adopts the operating budget of the agency to align resources with its operating plan;

NOW, THEREFORE, BE IT RESOLVED, that the Workforce Training and Education Coordinating Board approve the Agency Source of Funds and Operating Budget for the period July 1, 2015, to June 30, 2016.

Workforce Training and Education Coordinating Board Summary of Programs

ALL PROGRAMS - \$23,203,124

- Provide for leadership, coordination, and implementation of the goals, objectives, and strategies in *High Skills, High Wages* Washington's Strategic Plan for Workforce Development.
- Achieve the goals, objectives, and strategies contained in the agency's Operating Plan for 2015-2016 including planning for and implementation of the Workforce Innovation and Opportunity Act.
- Conduct LEAN management principles and activities, continue to improve the quality and efficiency of agency operations.

WORKFORCE POLICY - \$1,190,665 (excluding private local contributions)

- Address the content and timelines of statutory requirements in RCW 28C.18 and other related statutory and administrative requirements and guidance for the Workforce Board. Provide planning, coordination, evaluation, monitoring, and policy analysis for the state training system and advice to the Governor and Legislature.
- Provide policy analysis and advice at the international, national, state, and local levels for workforce issues, including career and technical and workforce education.
- Lead development of a performance management system that results in continuous quality improvement, including required accountability for state and federal programs.
- Fulfill the dollar-for-dollar match requirements for the Carl Perkins administrative activities while contributing to the workforce training and education system as a whole.

PRIVATE VOCATIONAL SCHOOLS ACT - \$264,268 (excluding TRTF)

- Administer an effective and efficient licensing system for private vocational schools and colleges, including pre-license technical assistance and electronic license filing.
- Investigate and resolve student concerns and complaints.
- Provide staff support to the Private Vocational Schools Advisory Committee.
- Collaborate and coordinate with the U.S. Department of Education, Northwest Career College Federation, other federal and state agencies and others involved in licensing and consumer protection activities.
- Monitor the role of private career schools and colleges within the workforce development system.

TUITION RECOVERY TRUST FUND - \$65,000

- Administer a tuition guarantee fund for students enrolled in private vocational schools and colleges.

CARL D. PERKINS VOCATIONAL EDUCATION - \$20,610,734

- Administer and provide state leadership for activities required and allowed by the Carl D. Perkins Career and Technical Education Act, including programmatic and fiscal responsibilities as the eligible agency.
- Conduct activities contained in the state's Carl Perkins Five Year Plan and subsequent updates, including implementation of Multiple Pathways and Programs of Study.
- Provide opportunities to promote and foster the relationship between Carl Perkins programs and activities and the larger workforce training and education system in the areas of planning, coordination, and evaluation.
- Lead and support partnerships among labor, business, education, industry, community-based organizations, and government.
- Integrate and coordinate with other federal acts, including, but not limited to, the Workforce Investment Act.

VETERANS COURSE APPROVAL - \$186,490

- Administer an effective and efficient program of approving occupational courses and programs for veterans and their beneficiaries and conducting compliance responsibilities based on Public Law 111-377.
- Coordinate activities with the U.S. Department of Veterans Affairs, the National Association of State Approving Agencies, the Washington Student Achievement Council, and other federal, state and local entities.
- Investigate and resolve occupational education-related veterans' concerns and complaints.

MAKE IT IN WASHINGTON – \$423,000

- Administer an effective and efficient program for tuition assistance to advance the careers
- Coordinate activities with the U.S. Department of Veterans Affairs, the National Association of State Approving Agencies, the Washington Student Achievement Council, and other federal, state and local entities.

WORKFORCE INVESTMENT ACT – \$471,900

- Conduct on-going planning and coordination activities identified in Washington's Strategic Plan for Workforce Development, Washington Works, and the Workforce Investment Act

Title I-B plan, including strategic and technical support to local Workforce Development Councils.

- Implement evaluation and accountability activities and technical assistance efforts associated with meeting the performance measurement requirements of state laws and orders and federal statutes for workforce development.
- Support the activities of the Board as it carries out its role as the State Workforce Investment Board.
- Provide performance information to consumers and the workforce development system through the administration, maintenance and enhancement of Career Bridge (Eligible Training Provider List and Training Program Performance), our web-based consumer report card system.
- Support Workforce Innovation and Opportunity planning and information and other workforce initiatives.

Private/Local Contributions– \$22,000

- Support the Seattle Foundation’s Skillsource Project
- Support the Bainbridge Graduate Institute’s Ice House Entrepreneurship Program

Workforce Training and Education Coordinating Board

**Agency Source of Funds and Operating Budget
July 1, 2015 – June 30, 2016**

Source of Funds For Budget

General Fund – State Appropriation (tentative)	\$1,424,000
Interagency Agreement (Federal – WIA)	\$471,900
Tuition Recovery Trust Fund Admin (State)	\$65,000
Private Local Contributions	\$22,000
General Fund – Federal Appropriations	<u>\$20,610,734</u>
Total Funds Available	\$23, 203,124

Operating Budget by Cost Category

Staff	26.50
Salaries	\$1,691,317
Benefits	\$588,262
Goods & Services (i.e., rent, utilities, service agency costs, etc.)	\$420,586
Travel	\$88,559
Contracts (i.e., evaluations, surveys, tuition assistance, CareerBridge, etc.)	\$435,551
Grants (i.e., OSPI and SBCTC)	<u>\$19,978,849</u>
Total Budget	\$23,203,124

<u>Tuition Recovery Trust Fund</u> (tentative fund balance)	\$2,500,000
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Workforce Board 2015-2016 Operating Plan

Goal 1 – Build Multiple Pathways for First Careers

Objectives	Activities
State Leadership	<ol style="list-style-type: none"> 1. Advise the Governor and Legislature on emerging state and federal policy issues in support of multiple pathways for first careers. 2. Advise the Governor on youth policy issues as they pertain to the Workforce Innovation and Opportunity Act (WIOA). 3. Support WIOA planning process to build infrastructure from Multiple Pathways for First Careers, especially for young people through the age of 24 with barriers to success. 4. Participate in national policy developments such as Perkins reauthorization, WIOA, and the Elementary and Secondary Education Act, and the Higher Education Act. 5. Participate in the ongoing development of the Washington Student Achievement Council’s Ten-Year Roadmap. 6. Provide state leadership for and administration of the Carl D. Perkins Act in support of <i>High Skills, High Wages</i>. 7. Convene business, labor, and workforce partners to help grow the concept of Multiple Pathways for First Careers. 8. Advise the Governor and Legislature on youth and young adult unemployment issues. 9. Highlight issues pertaining to youth in statewide workforce newsletter. 10. Make use of social media to promote ideas, information.
Improve career and education guidance.	<ol style="list-style-type: none"> 1. Identify barriers to the use and implementation of comprehensive K-12 career guidance systems and explore policy, program, and other options to address these barriers. 2. Advocate for making a structured and supported High School and Beyond Plan a consistently useful tool for career guidance. 3. Include provision of effective career guidance strategies in WIOA plans. 4. Broadly promote agency’s career guidance tools. (CareerBridge.wa.gov and <i>Where Are You Going?</i> career guide), for both in-school and out-of-school youth. 5. Ensure <i>Where Are You Going?</i> career guide addresses common questions posed by young people about postsecondary education options and how to pay for school. Include careers of particular interest to youth in the Index of Careers. 6. Integrate career-related media tools from partner agencies and organizations.
Identify, assess, and certify skills for successful careers.	<ol style="list-style-type: none"> 1. Support efforts to establish industry skill standards. 2. Advocate for career readiness certifications and assessments. 3. Support WIOA Subcommittees on Career and Education Pathways to incorporate effective measurements for stackable credentialing.

Support development of direct pathways from high school to postsecondary education and training.	<ol style="list-style-type: none">1. Identify barriers to and successes in the development of statewide Programs of Study (POS), including articulation and dual credits, and implement program and policy options to address barriers and track progress.2. Advocate for an increase in opportunities for students to earn dual credit while attending career and technical education (CTE) courses.3. Support WIOA subcommittee on Education and Career Pathways through Integrated Service Delivery Model.4. Place additional emphasis on serving youth in transition, particularly those with disabilities as described in Title IV of WIOA.
Increase work-integrated learning.	<ol style="list-style-type: none">1. Advocate for work-integrated learning opportunities at the federal and state policy levels.2. Partner with stakeholders to increase work-integrated learning opportunities, such as the Youth Works Initiative.3. Identify barriers to in-classroom business engagement and out-of classroom business experiences; explore policy and program options to address barriers.4. Work with stakeholders to develop and provide technical assistance for work-integrated learning.5. Seek resources to support the development and implementation of work-integrated learning opportunities.6. Support partner efforts to expand apprenticeship programs to more occupations and industries.7. Support new WIOA emphasis on work-based learning opportunities, which requires 20 percent of local youth formula funds be spent on work experiences such as summer jobs, pre-apprenticeship training, and on-the-job training for in-school and out-of-school youth.

<p>Improve student/participant access, retention.</p>	<ol style="list-style-type: none"> 1. Actively participate in Graduation A Team Effort (GATE) meetings and activities. 2. Promote successful models in high school dropout prevention and retrieval including Jobs for Washington’s Graduates (JWG) and Open Doors, as directed by HB 1418 (2010). 3. Encourage entry into proven pathways such as CTE, Skills Centers, pre-apprenticeship, and online learning access. 4. Support credential attainment and progress toward career pathways goals, as outlined in WIOA, especially those aligned with in-demand industry sectors. 5. Support the WIOA Youth Task Force to develop a policy framework to improve outcomes for out-of-school youth.
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Goal 2 - Build Multiple Pathways for Employers and Workers

<p>State Leadership</p>	<ol style="list-style-type: none"> 1. Advise the Governor and Legislature on emerging state and federal policy issues in support of multiple pathways for employers and workers. 2. Participate in national policy development for WIOA, especially on sector strategy, employer engagement, lifelong learning, and apprenticeship. 3. Support the Board’s role as the State Workforce Investment Board. 4. Convene business, labor, and workforce partners to help grow multiple pathways for employers and workers. 5. Support the WIOA Subcommittees on Local Governance and Sector Strategy, and Career and Education Pathways, to develop policy frameworks that advance multiple pathways for employers and workers.
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<p>Improve training for adult workers with barriers to advancement.</p>	<ol style="list-style-type: none"> 1. Advocate for increased use of I-BEST and other integrated skill models. 2. Advocate for policies that support or advance the employment prospects for people with barriers, including veterans and people with disabilities. 3. Support workforce development partners in identifying and addressing gaps and barriers to and successes in serving diverse populations, including support services. 4. Actively participate as a member of the State Rehabilitation Council. 5. Participate in the Improving Higher Education Outcomes for People with Disabilities Task Force (SB 5180). 6. Participate in the Governor’s Disability Employment Task Force. 7. Participate on the Governor’s Military Transition Task Force. 8. Administer the mentoring component of the Opportunity Partnership Program. 9. Oversee the Make it in Washington grant to help rural manufacturing workers advance their careers and improve productivity through targeted online training and business outreach.
<p>Connect workforce with industry and economic development.</p>	<ol style="list-style-type: none"> 1. Work with state and local partners to support the eight industry sectors targeted by the Governor and the strategic industry clusters identified in <i>High Skills, High Wages</i>. 2. Convene, support, and advocate for the recommendations of the Health Workforce Council. 3. Support the Aerospace Pipeline Advisory Committee. 4. Analyze the Skill Gap and identify high employer demand fields of study at the mid-level. 5. Advocate for policies and funding that supports high employer demand Programs of Study. 6. Support entrepreneurship training opportunities. 7. Promote best practices in the development and effectiveness of industry advisory committees for K-12 and postsecondary education programs. 8. Participate on Department of Commerce work groups/committees such as the Business Liaison team and sector strategies development. 9. Continue to reach out to business groups, providing information (printed and web-based) oriented to business audiences. 10. Oversee Make it in Washington grant to better connect state’s workforce with the manufacturing industry. 11. Support WIOA Local Governance and Sector Strategies Subcommittee work to close skill gaps.

Expand and support employment and learning opportunities for adults already in the labor force.	<ol style="list-style-type: none">1. Actively participate in statewide work groups that address non-traditional opportunities to obtain postsecondary degrees and certificates.2. Transition the Lifelong Learning Account Program to a stable and permanent position.3. Build on the lessons learned through the Workplace-based e-Learning Project.4. Participate with the Washington Student Achievement Council's Prior Learning Assessment Work Group and support other prior learning, competency-based, and crosswalk efforts.5. Oversee Make it in Washington grant to provide state's manufacturing workers with online learning opportunities to upskill their employability in the manufacturing industry.6. Better target training services and strategies through the Workforce Innovation and Opportunity Act.7. Make progress through strategic action formulated by the WIOA subcommittee on Education and Career Pathways.
Provide consumer protection.	<ol style="list-style-type: none">1. Administer the Private Vocational Schools (PVS) Act.2. Explore changes to the PVS Act and regulations that increase consumer protection and quality education.3. Communicate to stakeholders the consumer protection function of the Workforce Board's PVS licensing and monitoring program.4. Enhance the data reporting system used by licensed private career schools to report student data used for measuring program performance.5. Administer compliance audits and approvals of education and training programs for veterans, members of the military, and their families.6. Maintain the Eligible Training Provider (ETP) List including setting performance standards and posting results on CareerBridge.wa.gov, and revise to meet WIOA guidelines.7. Continue to enhance CareerBridge.wa.gov, including maintaining timely labor market data, training program information, and performance results.

Goal 3 - Washington's Workforce Development System is a model of accountability and efficiency

Maintain and improve performance management for workforce development.

1. Convene business, labor and workforce partnerships to help make the state's workforce development system a model of accountability and efficiency.
2. Provide a comprehensive view of Washington's workforce development system, both at a glance and in greater detail, through an online directory and printed poster.
3. Provide an annual report to the Legislature on progress in reaching goals and objectives put forth in *High Skills, High Wages*, the state's strategic plan for workforce development.
4. Administer the Washington Award for Vocational Excellence (WAVE) scholarship program. (Existing scholarships, no new awards likely to be funded in upcoming biennium.)
5. Evaluate employment and earnings outcomes of state's 12 largest workforce programs through annual Workforce Training Results report.
6. Conduct biennial Participant Survey and update Workforce Training Results with participant satisfaction data.
7. Complete the Net Impact and Cost/Benefit Study (conducted every four years).
8. Support performance measures reporting and performance target negotiations for Carl D. Perkins Career and Technical Education Act.
9. Perform performance accountability functions for WIA/WIOA, including measurement, target negotiations, and reporting.
10. Conduct Skill Gap analyses of supply/demand relationships for trained workers, including Joint Report with Washington Student Achievement Council and the State Board for Community and Technical Colleges (SBCTC).
11. Conduct evaluation and Skill Gap Analysis for Aerospace Pipeline Report, in collaboration with SBCTC and the Aerospace Pipeline Advisory Committee.
12. Complete an evaluation for the Skill Link project.
13. Participate with the Education Research and Data Center and other agency partners in developing the longitudinal data system.
14. Support WIOA Performance Accountability Subcommittee and work on implementing WIOA revisions to performance management systems and the state's Eligible Training Provider List.

Continue to improve the quality of agency operations.

1. Implement the recommendations of the IT business analysis provided to the Workforce Board, particularly the proof of concept to streamline and consolidate systems.
2. Identify performance measures, regularly review results, use results to identify improvements, and implement improvements.
3. Manage staff in accordance with the agency's core competencies for leadership.
4. Develop staff Performance Development Plans and performance agreements that identify individual work assignments, establish performance standards, recognize accomplishments, and promote employee development.
5. Promote collaboration and sharing of information among research, program, and policy staff.

WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

Draft

Agency Source of Funds and Operating Budget

Detailed Comparison by Program

Source of Funds for Budget	FY 2015	FY 2016 Estimate	Increase	Reduction in Operating Funds	See Notes
General Fund – State Appropriation	\$ 1,424,000	\$ 1,424,000			*1
Interagency Agreement (Federal – WIA)	\$ 471,900	\$ 471,900			*2
Interagency Agreement (Federal – WIOA)	\$ 507,000	\$ -		\$ (507,000)	*3
Private Local Contributions	\$ 22,000	\$ 22,000			*4
Tuition Recovery Trust Fund (State)	\$ 65,000	\$ 65,000			*5
General Fund – Federal Carl Perkins	\$20,736,066	\$ 20,610,734		\$ (125,332)	*6
General Fund – Federal MiiW	\$ 423,000	\$ 423,000			*7
General Fund - Federal Veterans	\$ 186,490	\$ 186,490			*8
Total Funds Available	\$23,835,456	\$ 23,203,124	\$ -	\$ (632,332)	*9
Funded FTE Count	28.50	26.50		(2.00)	*10
Unfunded Vacancies		2.00			

Budget by Program

	Workforce Policy		Private Schools/TRTF		Carl Perkins CTE		Vets Course Approval		Workforce Investment Act		Make it in Washington		Total	
	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016
Staff	10.1	10.1	4	4	5.9	5.9	2	2	3	3	1.5	1.5	26.5	26.5
Salaries	677,000	677,000	199,830	199,830	391,576	391,576	107,004	107,004	219,551	219,551	96,356	96,356	1,691,317	1,691,317
Benefits	236,950	236,950	69,941	69,941	143,983	143,983	32,532	32,532	76,749	76,749	28,107	28,107	588,262	588,262
Goods & Services	169,067	169,067	56,000	56,000	88,500	88,500	25,433	25,433	70,500	70,500	11,086	11,086	420,586	420,586
Travel	18,715	18,715	3,497	3,497	7,826	7,826	21,521	21,521	18,400	18,400	18,600	18,600	88,559	88,559
Contracts	80,000	80,000	0	0	0	0	0	0	86,700	86,700	268,851	268,851	435,551	435,551
Grants			0	0	20,104,181	19,978,849	0	0	0	0	0	0	20,104,181	19,978,849
WIOA Planning	0	0	0	0	0	0	0	0	507,000	0	0	0	507,000	0
TOTAL	1,181,732	1,181,732	329,268	329,268	20,736,066	20,610,734	186,490	186,490	978,900	471,900	423,000	423,000	23,835,456	23,203,124

Appendix 2

Notes to Source of Funds:

- (1) General Fund – State Appropriation is yet to be determined. It is not expected to decline but will not be known until passed by the legislature. The appropriation is anticipated to include the required dollar for dollar match for state administration of the Carl D. Perkins Act.
- (2) An interagency contract, provided by the Employment Security Department, is expected to provide a static level of funding at \$471,900 is anticipated. These funds are for Workforce Investment Activities, including but not limited to Board support, Eligible Training Provider activities, and evaluation of the workforce system's major programs. The agreement has yet to be finalized.
- (3) One-time WIOA implementation planning funds, an interagency contract with the Employment Security Department, for the facilitation and enhancement of planning activities, was awarded May 1, 2015. This flexible funding pool is expected to carry through to June 30, 2016.
- (4) General Fund - Private Local Appropriation includes funding received from Seattle Foundation and the Bainbridge Graduate Institute. Each of these entities have provided small amounts of funding for consultation and program development assistance. Both the Seattle Foundation's Skillsource Project and the Bainbridge Graduate Institute's Ice House Pilot Entrepreneurship Program advisory activities are funded through 2016.
- (5) Tuition Reimbursement Trust Fund – Not Legislatively appropriated but subject to allotment, funding includes administration of the account and student claims for tuition reimbursement. Administrative funding remains unchanged from state fiscal year 2015.
- (6) General Fund – Federal Appropriation includes funding for Carl D. Perkins Act administration and Career and Technical Education leadership activities. Historically any change in funding level is passed on through contracts with the State Board for Community and Technical Colleges (SBCTC) and the office of the Superintendent of Public Instruction (OSPI), as agreed. The historic formula has held WTB funding constant at \$631,885 since 1995.
- (7) General Fund – Federal Appropriation includes activities tied to the Make it in America grant award under the Make it in Washington project (MiiW). Of the \$1.3 million grant award \$912 thousand (70%) is designated as tuition assistance for incumbent workers in Washington's economically distressed counties. The grant ends on Sept. 30, 2016.
- (8) General Fund – Federal Appropriation also includes funding the Veterans Act State Approving Agency (SAA). No change in funding level is anticipated, however contract negotiations do not begin until August.
- (9) The bottom line WTB operating budget is expected to remain constant. Increases in funding are dedicated to cost objectives of grants and contracts or by statute (TRTF). Funding dedicated to educational institutions is \$20,247,700 while the overall operating budget is as yet unknown.
- (10) FTE levels are reduced by vacancies for which funding is still not available in fiscal year 2016. Vacancies include two executive positions, the Deputy Director and the Policy Director. The duties of which are currently being shared by existing staff or have been postponed when appropriate.