

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 155
JUNE 16, 2011**

WORKFORCE BOARD FISCAL YEAR 2012 OPERATING BUDGET

Background:

In September 2010, the Board adopted the agency's 2011-2013 biennial budget submittal containing appropriations for FY 2012 and FY 2013. The Governor will sign into law 2ESHB 1087 identifying the final appropriations for the coming two-year period. At this meeting, the Board will review and adopt the operating budget for FY 2012.

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. At this point, agency funding from WIA resources is not final. The budget documents reflect the estimated need from WIA resources for the coming year. The Agency Source of Funds and Operating Budget Sheet for FY 2012 follows the Program Summary. An appendix is included that contains a comparison by program for FY 2011 and FY 2012 of the major cost categories, including salaries, fringe benefits, goods and services, travel, contracts, and grants.

Board Action Requested: Adoption of the Recommended Motion.

RECOMMENDED MOTION

WHEREAS, The Workforce Training and Education Coordinating Board uses the agency operating plan for 2011-2012, containing goals, objectives, and strategies for accomplishing its work; and

WHEREAS, The 2011-2013 Biennial Budget is enacted containing appropriations for the Workforce Training and Education Coordinating Board for the period July 1, 2011, through June 30, 2013; and

WHEREAS, The Workforce Training and Education Coordinating Board maintains Workforce Investment Act carry forward funds and off-setting obligations that require reconciliation before final new Workforce Investment Act funds are determined via Interagency Agreement; 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, 2011, to June 30, 2012.

**Workforce Training and Education Coordinating Board
Summary of Programs**

ALL PROGRAMS - \$28,169,195

- 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 2011-2012.

WORKFORCE POLICY - \$1,099,027

- 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 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 - \$282,973

- Administer an effective and efficient licensing system for private vocational schools, 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, federal and state agencies and others involved in licensing activities.
- Monitor the role of private career schools within the workforce development system.

TUITION RECOVERY TRUST FUND - \$32,810

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

CARL D. PERKINS VOCATIONAL EDUCATION - \$20,600,293

- 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, including implementation of 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 - \$179,092

- Administer an effective and efficient program of approving occupational courses and programs for veterans and their beneficiaries and conduct 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 Higher Education Coordinating Board, the State Board for Community and Technical Colleges, and other state and local entities.
- Investigate and resolve occupational education-related veterans' concerns and complaints.

WORKFORCE INVESTMENT ACT - \$975,000

- 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 and federal laws 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 via the maintenance and enhancement of Career Bridge (Eligible Training Provider List and Training Program Performance), our web-based consumer report card system.

- Support the Retooling Washington's Workforce Initiative.

ARRA ENERGY AND HEALTH CARE GRANTS - \$5,000,000

- Administer the two American Recovery and Reinvestment Act of 2009 grants in the energy and health care sectors, including compliance with federal and state reporting and implementation requirements
- Provide oversight and technical assistance and guidance to contractors and sub-grantees receiving these resources in the conduct of the training and other activities associated with these sector initiatives.
- Coordinate activities with the Evergreen Jobs Leadership Team, the Health Care Personnel Shortage Task Force, and other entities involved in energy and health care initiatives in the state.
- Promote and advocate the benefits and successes of these resources and prepare policy direction from the learning gained in these sector partnership efforts.

Workforce Training and Education Coordinating Board

**Agency Source of Funds and Operating Budget
July 1, 2011 – June 30, 2012**

Source of Funds For Budget

General Fund – State Appropriation	\$1,382,000
Tuition Recovery Trust Fund (State)	\$32,810
General Fund – Federal Appropriation	\$20,779,385
General Fund – Federal ARRA	\$5,000,000
Interagency Contract (Federal – WIA)	\$975,000
Total Funds Available	\$28,169,195

Operating Budget by Cost Category

Staff	29.0
Salaries	\$1,815,459
Benefits	\$575,792
Goods & Services (i.e., rent, utilities, service agency costs, etc.)	\$522,000
Travel	\$85,536
Contracts (i.e., evaluations, surveys, CareerBridge, conference support, etc.)	\$390,000
Grants (i.e., OSPI, SBCTC, ARRA, etc.)	<u>\$24,780,408</u>
Total Budget	\$28,169,195

Tuition Recovery Trust Fund \$4,500,000

-WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
Agency Source of Funds and Operating Budget
Detailed Comparison by Program

Source of Funds for Budget

	FY 2011	FY 2012
General Fund – State Appropriation	\$1,444,000	\$1,382,000 (1)
Tuition Recovery Trust Fund (State)	\$32,810	\$32,810
General Fund – Federal Appropriation	\$23,235,188	\$20,779,385 (2)
General Fund – Federal ARRA	\$3,900,000	\$5,000,000 (3)
Interagency Contract (Federal – WIA)	<u>\$1,050,000</u>	<u>\$975,000 (4)</u>
Total Funds Available	\$29,661,998	\$28,169,195

Budget by Program

	Workforce Policy		Private Schools/TRTF		Carl Perkins Voc Ed		Vets Course Approval		Workforce Investment Act		Energy/ Healthcare ARRA		Total	
	FY 2011	FY 2012	FY 2011	FY 2012	FY 2011	FY 2012	FY 2011	FY 2012	FY 2011	FY 2012	FY 2011	FY 2012	FY 2011	FY 2012
Staff	9.0	9.0	3.4	3.2	4.6	4.4	2.0	2.0	8.5	8.0	2.5	2.4	30.00	29.00 (5)
Salaries	583,870	584,161	191,028	184,506	297,376	279,040	115,026	102,102	550,902	536,214	160,150	129,436	1,898,352	1,815,459 (5)
Benefits	162,091	182,540	58,053	62,032	82,727	87,705	34,705	37,357	153,942	164,044	45,497	42,114	537,015	575,792 (5)
Goods & Services	170,100	162,000	64,260	57,600	86,940	79,200	18,900	36,000	160,650	144,000	47,250	43,200	548,100	522,000 (6)
Travel	27,087	28,326	9,321	6,645	14,843	15,940	5,033	3,633	24,506	21,742	7,103	9,250	87,893	85,536
Contracts	108,000	102,000	3,000	5,000	150,000	170,000	-0-	-0-	160,000	109,000	0.00	4,000	421,000	390,000 (7)
Grants	100,000	40,000	-0-	-0-	22,429,638	19,968,408	-0-	-0-	-0-	-0-	3,640,000	4,772,000	26,169,638	24,780,408 (8)
TOTAL	1,151,148	1,099,027	325,662	315,783	23,061,524	20,600,293	173,664	179,092	1,050,000	975,000	3,900,000	5,000,000	29,661,998	28,169,195

Notes to Source of Funds:

- (1) General Fund – State Appropriation includes funding for Workforce Policy activities and administration of the Private Vocational Schools Act (PVSA). Workforce Policy includes required match for state administration of the Carl D. Perkins Act. The FY 2012 level of \$1,382,000 reflects a decrease of \$62,000 from last fiscal year’s original appropriation.
- (2) General Fund – Federal Appropriation includes funding for Carl D. Perkins Act administration and leadership activities and administration of the Veterans Act Course Approval Program. FY 2012 reflects a net decrease of \$2,455,803, including a decrease of \$2,461,231 in Perkins funds and a slight increase of \$5,428 in Veterans funds.
- (3) General Fund – Federal ARRA includes estimated FY 2012 budgeted amounts of \$2,800,000 for the Energy Sector grant and \$2,200,000 for the Health Care grant.
- (4) Interagency Contract, provided by the Employment Security Department, includes anticipated funding for Workforce Investment Act activities. Anticipated FY 2012 funds reflect a decrease of \$75,000 in Workforce Investment Act resources. This amount is still pending negotiation with the Employment Security Department

Notes to Proposed Budget:

- (5) FTE staff levels include a decrease of one FTE and salaries and benefits include the three percent compensation reduction.
- (6) Goods and Services include: rentals/leases, printing, communication, supplies, equipment, training, and state agency services (financial, audit, information services, attorney general, personnel, etc.)
- (7) Contracts include: assessment, evaluation, and accountability services; survey and IT work; conference support; outreach and advocacy; and other partnership development efforts.
- (8) Grants include Carl Perkins Act funds to the Office of Superintendent of Public Instruction (local school districts), the State Board for Community and Technical Colleges (community/technical colleges), General Fund - Federal ARRA funds for Energy and Health Care regional activities; and General Fund – State funds for research and demonstration activities.