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**COMMUNITY AND SENIOR SERVICES
OF LOS ANGELES COUNTY**

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October 20, 2008

To: Members, Los Angeles County Workforce Investment Board
Finance Committee

From: Josie Marquez, Assistant Director
Workforce Development and Community Services

Subject: **LOS ANGELES COUNTY WORKFORCE INVESTMENT BOARD
FINANCE COMMITTEE MEETING – OCTOBER 23, 2008**

This is to inform you that the Los Angeles County Workforce Investment Board Finance Committee will meet as follows:

Date and Time: October 23, 2008 (Thursday)
12:00 Noon

Venue: Community and Senior Services Headquarters
County of Los Angeles
3175 West Sixth Street
Los Angeles, CA 90020
(THIRD FLOOR TEAM ROOM)

The Agenda is being transmitted to you to help you prepare for the meeting. If you have any questions or need additional information, contact WIB Support Staff, Cathy Zelaya, at (213) 738-2593.

Attachment

JM:ciz

**LOS ANGELES COUNTY WORKFORCE INVESTMENT BOARD
FINANCE COMMITTEE MEETING
October 23, 2008 (Thursday) at 12:00 Noon
CSS Headquarters, 3175 W. Sixth Street – THIRD FLOOR TEAM ROOM
Los Angeles, CA 90020**

MISSION STATEMENT

Provide leadership by convening and facilitating public and private stakeholders to impact the economic health of the region.

Finance Committee:

John Addleman, Chair
Fred Smith, Vice Chair
Dennis Neder
Richard Nichols
Mike Patel
Del Walker

Continental Breakfast will be provided for WIB members.

AGENDA

NOTE: Agenda Items may be presented and reviewed not necessarily in the order listed.

- 1. CALL TO ORDER.....by John Addleman, Chair**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL AND INTRODUCTIONS**
- 4. CHAIR'S COMMENTS**
- 5. MINUTES OF FINANCE COMMITTEE MEETING HELD ON SEPTEMBER 11, 2008**

Presenter: John Addleman, Chair

Summary: This item presents for review and approval, minutes of the Finance Committee meeting held on September 11, 2008.

Attachment A: Minutes of Finance Committee meeting held on September 11, 2008.

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**6. L.A. COUNTY WORKFORCE INVESTMENT BOARD FY 2009-10 WIA
PROPOSED BUDGET**

Presenters: Josie Marquez, Executive Director
Rogelio Tapia, Budget Officer

Summary: This item presents for review, and any action deemed
necessary, the FY 2009/10 WIA Proposed Budget.

Attachment B: WIA FY 2009/10 Proposed Budget.

7. PUBLIC COMMENTS

8. ADJOURNMENT

A

ATTACHMENT A

MINUTES
LOS ANGELES COUNTY WORKFORCE INVESTMENT BOARD
FINANCE COMMITTEE MEETING
SEPTEMBER 11, 2008
Held at County of Los Angeles – Community and Senior Services
3175 W. 6th Street, Room 105, Los Angeles, California 90020

Committee Members Present:

Dennis Neder
Richard Nichols
Mike Patel
Fred Smith
Del Walker
John Addleman, Chair

Staff and Guest Present:

Josie Marquez, Executive Director

1. CALL TO ORDER

John Addleman, Chair, called to order the September 11, 2008 meeting of the L.A. County WIB Finance Committee.

2. PLEDGE OF ALLEGIANCE

Dennis Neder led the Pledge of Allegiance.

3. ROLL CALL AND INTRODUCTIONS

A quorum was established.

4. CHAIR'S COMMENTS

The Chair thanked the committee members and staff for their attendance at the meeting. He expressed appreciation for their hard work and contributions to the tremendous progress that has been made in improving the quality of the financial reporting now being made to both the WIB and the Board of Supervisors. He thanked the former chair, Fred Smith for his past leadership of the committee.

5. MINUTES OF FINANCE COMMITTEE MEETING HELD ON JUNE 12, 2008

The Chair presented for review and approval, minutes of the Finance Committee Meeting held on June 12, 2008.

<p>MOTION: It was moved by Richard Nichols and seconded by Del Walker to approve the minutes of the Finance Committee meeting held on June 12, 2008, as presented. Carried.</p>

6. WIA PROGRAMS FY 2007/08 CLOSEOUT REPORT INCLUDING FY 2007/08 WIA CONTRACTORS EXPENDITURE AND PERFORMANCE REPORTS

The Executive Director presented the WIA Programs FY 2007/08 Closeout Report which included FY 2007/08 WIA Contractors Expenditure and Performance Reports.

Ms. Marquez reported that the WIA programs had an operating budget of \$32.8 million, and contingency funds of \$1.7 million. Of the \$32.8 million, WIA programs expended \$30.5 million or 93% of their total budget. Most of the budget is comprised of agency allocations, and the agencies expended \$24.3 million or 92% of their \$26.3 million total allocation. Administration activities comprised \$2.9 million of the total budget. Program support activities comprise \$3.6 million of the total budget; actual expenditures totaled \$3.0 million or 83%. However, it was noted that there funds under this category that remain committed as approved by the WIB.

WIA CONTRACTOR EXPENDITURE AND PERFORMANCE REPORT - Overall, the four WIA programs-- Adult, Adult Special Needs, Dislocated Worker and Youth -- exceeded their planned enrollments, exits, placements, and numbers of participants trained.

The WIA Adult Program Contractors:

1. Expended 91% of their allocation
2. Exceeded their planned enrollments, placements, exits and training numbers by between 12% and 79%.
3. Enrolled 1,707 participants, thereby exceeding its planned enrollments by 16%.
4. Placed 1,156, exceeding planned placements by 16%.
5. Exited 1,360, thereby exceeding planned numbers by 12%.
6. Trained 371, exceeding planned training goals by 79%.
7. Average cost-per-placement was \$6,911.

The Adult Special Needs contractors:

1. Expended 74% of their allocation.
2. Exceeded their planned enrollment, exit, placement, and training goals by between 15% and 50%.
3. Average cost-per-placement was \$3,956.

The Dislocated Worker Program contractors:

1. Expended 95% of their allocation.
2. Enrolled 1,215 participants, 16% more than planned.
3. Placed 726, representing 110% of the planned number.
4. Exited 876, representing 111% of the planned amount.
5. Trained 346 participants, representing 211% of the planned amount.
6. Average cost-per-placement was \$8,701.

The WIA Youth contractors:

1. Expended 92% of their allocations.
2. Enrolled 2,833 youth, 102% of their planned amount.
3. Trained 39 participants, representing 105% of their planned amount
4. Placed 328 youth, 64% higher than planned.

Underperforming Agencies

On November 9, 2006, the LACWIB Executive Committee approved a Revised Performance Policy for 2007-08. This year, the following agencies have fallen below the 85% performance or expenditure threshold and will be expected to comply with the Performance Policy: City of Compton, South Valley WorkSource Center-Goodwill (City of Palmdale), Chicana Services Action Center, Managed Care Solutions, Career Partners--Rosemead, Hub Cities, Catholic Charities, Foothill WIB, LACOE, JVS, Raevery's Resource Center, LA Urban League (South Central), LA Urban League—Pomona, Career Partners --El Monte, Mexican American Opportunity Foundation, Communities in Schools, Soledad Enrichment Action, Inc., Watts Labor Community Action Center, Children's Collective and Community College Foundation.

CONCLUSIONS

1. In 2007-08, the Finance Division and the WIA Planning and Operations Division continued publishing programmatic and expenditure reports to the WIB and the Contractor community on a quarterly basis. Furthermore, the WIA Planning and Operations Division provided technical assistance and training on an as-needed basis to the WIA Contractors. These measures resulted in enhanced performance as is reflected in the fact that the vast majority of the contractors met or exceeded their goals, even in light of funding reductions. The Department will continue its efforts in the coordinated management of the reporting of expenditures and performance.
2. In the Youth Program, unlike the Adult or Dislocated Worker programs, the majorities of the exits are those of youth development, and are not placement-oriented. Exits in youth development are geared to keeping youth in school, such as increasing literacy and numeracy levels, and providing secondary services such as tutorials and leadership quality attainment. CSS will consult with the WIB Youth Council regarding the establishment of per-participant costs for the WIA Youth Program.
3. CSS will conduct a thorough review of contractor performance goals and its relevance in the negotiation of 2009/10 contracts and future contracts.
4. CSS will consider establishing policy that institutionalizes set aside funds for the increase in the delivery of occupational training and come back to the WIB with a recommendation.
5. CSS will commence capturing non-WIA-funded training by mandatory and non-mandatory partners through the WIA Job Training Automation System.

Following their review of the report, the Finance Committee provided the following comments and directives to Staff:

1. **Report Name:** Rename future quarterly reports "*L.A. County Workforce Investment Board Quarterly Financial Status Report*", and state the reporting period.
2. **Historical Data:** Provide a 3-year history of invoice received and payments made to each contractor. This information is due to the committee on January 8, 2009.
3. **Projections of Funds Usage:** Provide quarterly projections of funds usage (expenditures) by CSS and Contractors, starting with 2008/09 First Quarter Report due on January 8, 2009. For this report, projections would be for 2008/09 third quarter.
4. **"Summary of Expenditures – Per Cost Category"** - The committee noted that expenditure for the Administration category is 12% over approved budget. Over-expenditures were also noted for Auditor-Controlling Monitoring, Program Coordination expenditures.

The committee requested Staff to do closer monitoring and effective administration of the approved budget to ensure that contractors and CSS remain within budget, and that there is no significant under-spending.

The committee directed that Staff seek prior approval to make any anticipated change to the approved budget. This includes either anticipated over- or under-expenditures, and the need to reallocate carryover funds, etc. The committee expects to receive alerts from Staff beforehand, regarding any fiscal activity that is expected to raise red flags.

Under "Summary of Expenditures – Per Cost Category" and its attachments "Program Coordination" appears as both a major heading and sub-heading. Staff was requested to break down the sub-heading by line items, i.e. showing salaries and all other costs by program.

If the "Website Technology" line item is basically program-related salaries, it should be so reflected in the report.

5. When a contractor is no longer receiving funding, or there is some other significant change involving a contractor, Staff is to provide relevant notation at the bottom of the report page to highlight the activity. (For example BASE no longer receiving funds)
6. **www.worksourcecalifornia.com** - Website update is a top priority for the WIB during FY 2008/09. It is expected that Staff will likewise treat this item as a top priority.

7. PUBLIC COMMENTS

There were no public comments.

8. ADJOURNMENT

There being no further business, the L.A. County WIB Finance Committee meeting of September 11, 2008 was adjourned.

B

ATTACHMENT B

**THIS ITEM WILL
BE EMAILED ON
10/21/08**