

CAPITAL REGION WORKFORCE PARTNERSHIP

Description

The Capital Region Workforce Partnership (CRWP) is an eight locality entity comprised of the chief elected official from Henrico, Chesterfield, Goochland, Hanover, Charles City, New Kent, Powhatan Counties and the City of Richmond or their designee. The County of Henrico serves as the fiscal agent and grant recipient for the Consortium. The Consortium, in partnership with the Workforce Investment Board (RESOURCE) it appoints, exists to ensure the full development and operation of the region's workforce development system as envisioned by RESOURCE and the Consortium. As part of its responsibilities, it receives, manages, and disburses funds allocated to the region from the Workforce Investment Act of 1998, and other federal, state, and local grants and resources that become available to support the Capital Region's Strategic Plan as developed and approved by RESOURCE and the Consortium.

The Capital Region Workforce Partnership is the Henrico County Agency currently responsible for providing administrative support to RESOURCE and the Consortium, and is directly responsible for managing contracts awarded by RESOURCE and the Consortium for delivery of WIA services through Workforce Centers in the Region.

Objectives

- Provide Regional leadership to develop innovative strategies and partnerships to sustain workforce solutions.
- Address the primary obstacles to employment through the workforce system.
- Align workforce development sectors and resources to reduce redundancies, leverage resources, and increase efficiency and effectiveness in service delivery.
- Awareness of the workforce development system as the "go to place" for workforce solutions has increased on the part of industry and jobseekers.

Budget Highlights

The Workforce Investment Act (WIA) of 1998 is the principal funding source for CRWP. The Workforce Investment Act remains the primary funding source for RESOURCE and Consortium staff support costs and the service delivery system operating in the workforce centers. WIA funds may be supplemented by various grants secured during the year that provide additional capability for workforce development

Annual Fiscal Plan

<u>Description</u>	<u>FY12 Actual</u>	<u>FY13 Original</u>	<u>FY14 Proposed</u>	<u>Change 13 to 14</u>
Personnel	\$ 733,189	\$ 913,673	\$ 1,893,329	107.2%
Operation	3,545,133	4,572,271	4,063,999	(11.1%)
Capital	30,560	0	0	0.0%
Total	\$ 4,308,882	\$ 5,485,944	\$ 5,957,328	8.6%
Personnel Complement*	N/A	N/A	N/A	N/A

*All positions within CRWP are Complement III positions.

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Performance Measures

	FY12	FY13	FY14	Change 13 to 14
Workload Measures				
Universal Core Services	6,000	5,000	5,000	0
Applicants for WIA Services	2,000	2,000	2,500	500
Enrolled in WIA	1,700	2,737	2,700	(37)
Enrolled in Training	282	350	400	50
Enrolled in Job Search/Counseling	1,415	2,737	2,700	(37)
Entered Employment from WIA	400	788	800	12

system and provide additional funds to support the efforts of the one-stop (workforce center) system.

RESOURCE is responsible for the administrative requirements imposed by various funding sources and implementation of policies, budgets, performance requirements, and other requirements imposed on the workforce development system by the Consortium, as well as the State of Virginia through the Virginia Community College System (VCCS), and the U. S. Department of Labor. The staff assigned to support RESOURCE and the Consortium is also responsible for supporting the work of the Capital Region Youth Council, mandated under the Workforce Investment Act.

The value of federal grants and local government contributions determine the level of funding for the region through CRWP. The budget includes a grant reserve that will be allocated to specific programs when grant funding is identified. The FY2013-14 budget totals \$5,957,328, and represents an increase of \$471,384, from the FY2012-13 approved budget. The increase in personnel is attributed to 15 positions associated with the Out of School Youth Programs. These positions were not in the personnel complement in the FY2012-13 approved budget, but were added during the fiscal year. In addition to the new positions the personnel complement includes benefit cost increases, as a result of Senate Bill 497, which required a mandatory 5.0 percent salary increase partially offset by a reduction in the VRS requirement. Operating expenses decreased by \$508,272, or 11.1 percent from the approved FY2012-13 budget and no capital outlay funding is requested.

The FY2013-14 budget reflects a 5.0 percent decrease in available WIA formula funding for the

Capital Region. This decrease is anticipated because the unemployment rate in the region is slightly lower, which puts the region in a stronger economic position than many of the workforce regions. WIA funds are awarded based on a three part formula, of which two-thirds of the funding is based on an unemployment rate trigger of 6.5 percent and a comparison to the unemployment rates in other regions. If the region's unemployment rate falls below the 6.5 percent threshold, the region may not be eligible for at least one-third of the federal funds awarded to Virginia on the basis of unemployment.

The local government contributions are projected at a level that would be the same as the current year, with the exception of the Henrico County contribution which would be reduced by 3.0 percent. The local government contributions may be slightly overstated given the impact the state and federal budget challenges may have on local revenues.

The WIA remains the primary funding source for the CRWP's personnel costs. There are currently 32 positions associated with the proposed budget, including 4 positions that are under the purview of the One Stop Operator - the Division Supervisor that will serve as the System Manager; the greeter at the Whitepine Resource Center and the two Case Managers required by the VETEC Grant. Additional positions may be requested in FY2013-14 if the One-Stop Operator requests additional staff from the fiscal agent, and as partners are willing to support financially.

Revenue from local contributions outside of Henrico County is expected to total \$62,280 in FY2013-14. Henrico County's contribution to CRWP's

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administrative expenses is budgeted at \$200,605 for FY2013-14, which is 3.0 percent less than the FY2012-13 contribution.

The following table shows historical contributions from Henrico County to CRWP's administrative expenses:

Fiscal Year	Contribution	% Increase
FY2005-06	187,700	3.2%
FY2006-07	195,860	4.3%
FY2007-08	201,447	2.9%
FY2008-09	208,665	3.6%
FY2009-10	210,648	1.0%
FY2010-11	210,648	0.0%
FY2011-12	217,695	3.3%
FY2012-13	206,810	(5.0%)
FY2013-14	200,605	(3.0%)

It should be noted that final WIA funding and local government general funds for the FY2013-14 budget year are currently unknown. The continued budget challenges and discussions at the federal level make it especially difficult to assess budgetary increases or decreases at this point. The Capital Region's unemployment rate has been slightly reduced, which may result in reduced funding for the region. The WIA funding formula remains the same; however, Congress has begun discussion on changes to the workforce legislation and funding that could have significant implications for the region in the funding made available in FY2013-14. The State of Virginia is experiencing slightly decreasing unemployment rates that may affect the level of funding Virginia is able to access through the WIA formula. The Capital Region's unemployment rate, which for the past year has hovered at or below 7.0 percent, has slipped to slightly less than 6.7 percent. The unemployment rate coupled with the increasing poverty rates in the State and in the Capital Region create some potential for level funding, however, when the formula is applied to fewer national and state resources, the region's share may remain flat. Federal funding projected for FY2013-14 is approximately \$5.3 million.

The budget does include an increase in expenditures related to the two workforce centers that opened in FY2012-13 to replace those in Henrico County and the City of Richmond. The cost of the two new

facilities requires higher rents and limited cost sharing with the partners co-locating in each of the facilities but rent is going down for FY14.

The Chesterfield one-stop continues to receive rent from partners located in the facility; however, the motel next to the Williamsburg Road Resource administrative office has stopped paying rent for parking spaces at the rear of the facility. The revenue generated from this source provided additional non-federal revenue. The One Stop Operator is currently working on the cost allocation plan for the partners located in the Cedar Fork Road Workforce Center and will be working on the costs associated with the new City of Richmond Cary Street location. The RESOURCE budget reflects the total cost of all rents that will be due and payable. Partner rents and operating cost support will be viewed as expense refunds.

CRWP received a grant in the amount of \$2,150,309 that will provide access to opportunities for comprehensive entrepreneurship training and technical assistance to Workforce Investment Act eligible adults and dislocated workers. This initiative will integrate entrepreneurship services within the Public Workforce System to enable hundreds of WIA eligible job seekers to grow assets and attain long-term self sufficiency through self-employment through a partnership with the Community College Workforce Alliance and the Resource Workforce Centers. FY2013-14 funds awarded will be \$661,313 plus any carry-forward from FY2012-13.

This contract began on July 1, 2012 and will terminate on June 30, 2016. The total amount of the contract is \$2,150,309. In FY2012-13, the contract awarded \$653,267; in FY2013-14, the contract will award \$661,313; in FY2014-15, the contract will award \$647,606, and in FY2015-16, the contract will award \$188,122. Funds not expended fully in any fiscal year will carry-forward to the next fiscal year. However, all funds and services will terminate at the end of FY2015-16.

ResCare Services, Inc. was awarded the Title I WIA services contract to deliver Adult and Dislocated Worker Services to those who meet the WIA eligibility criteria. Henrico County was awarded the Title I services contract to deliver Out of School

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Youth Services to Youth who are at least 17 years old but not older than 21 years of age who must also meet the WIA eligibility criteria. In addition to these two service providers, CRWP has also entered into contracts with local school districts to deliver services to economically disadvantaged rising 11th and 12th graders who do not have solid plans for their transition to employment or post secondary education and training and employment to assist them to achieve graduation from high school and to implement a plan for post high school education and training and/or employment. These initiatives permit local school districts to provide support during the first year immediately after high school graduation which may include financial aid for post secondary education and training and other needed supports to enter into a career path. Each of the sub-recipients (contractors) is responsible for meeting the performance requirements imposed by the WIA and RESOURCE.

In the redesigned service delivery model implemented in FY2011-12, the One Stop Operator is comprised of a partnership among three mandated partner agencies (the Virginia Department of Aging and Rehabilitative Services, the Virginia Employment Commission and the fiscal agent, (Henrico County). This partnership is now responsible for coordinating the work of all partner agencies in the delivery of services through the designated one-stop centers under WIA, and other grants. In providing such services, the One Stop Operator is responsible for working collaboratively with the other sixteen WIA mandated partner programs to ensure that services and access to

services are clearly defined and easily traversed by businesses and job seekers. The costs associated with the Out of School Youth Programs, One Stop Operator/Workforce Centers and the Case Management and other supports for the Innovation Grant (VETEC) are all included in the budget under the appropriate funding stream and staff costs associated with these items appears in the CRWP staff complement. These positions must appear in the County's complement as the County of Henrico is the fiscal agent for the region. The salary of the Director of the CRWP continues to be charged to non-federal local funds from the eight jurisdictions that comprises the Capital Region. Should non-federal funds not be made available to support this position, the position will be funded from WIA grant funds.

In FY2012-13, funds from a number of CRWP grants from FY2011-12 were carried forward (reappropriated) into CRWP's revised budget. The value of the carry forward funds in FY2012-13 was \$2,769,261. Most of the CRWP's grants are awarded on a Federal fiscal year.

The decisions made by RESOURCE and the Consortium Board during FY2012-13 affect the expenditure projections included in the budget.

The FY2013-14 budget includes a grant reserve account (\$200,000). At some point during FY2013-14, funds in the reserve account will be transferred between programs/accounts as more specific and detailed information becomes available on specific grants that may become available.

CRWP

Department Operating Budget

		Prior Year	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Change
50100	Full-Time Salaries and Wages - Regular	492,719	619,388	1,358,331	738,943	119.3%
50104	Temporary Salaries and Wages - Regular	97,971	0	0	0	0.0%
50110	FICA	44,384	47,081	103,612	56,531	120.1%
50111	Retirement VRS	58,257	131,063	199,286	68,223	52.1%
50112	Hospital/Medical Plans	37,198	89,947	216,270	126,323	140.4%
50113	Group Insurance - Life (VRS)	949	6,194	15,829	9,635	155.6%
50114	Unemployment Insurance	1,711	20,000	20,000	0	0.0%
50210	Maintenance and Repairs	519	2,500	2,500	0	0.0%
50211	Maintenance Service Contracts	934	1,200	1,200	0	0.0%
50220	Lease/Rent of Equipment	10,623	5,016	5,016	0	0.0%
50221	Lease/Rent of Buildings	230,150	675,016	635,947	-39,069	-5.8%
50240	Printing and Binding	12,065	10,000	10,000	0	0.0%
50250	Advertising	5,000	30,000	30,000	0	0.0%
50262	Transportation Services - Private Carriers	1,452	6,000	6,000	0	0.0%
50270	Other Contractual Services	2,024	1,130	1,130	0	0.0%
50280	Janitorial	17,047	4,416	4,416	0	0.0%
50286	Weed and Pest Control	456	428	428	0	0.0%
50400	Electric Services	45,874	10,000	6,768	-3,232	-32.3%
50401	Heating Services	6,834	1,000	1,000	0	0.0%
50402	Water Service	619	600	600	0	0.0%
50403	Sewer Service	665	600	600	0	0.0%
50404	Refuse Service	691	430	430	0	0.0%
50410	Postal Services	1,428	1,500	1,500	0	0.0%
50411	Messenger Services	2,425	1,500	1,500	0	0.0%
50412	Telecommunications	10,475	4,500	4,500	0	0.0%
50430	Mileage	8,901	6,000	6,000	0	0.0%
50431	Travel	11,886	10,000	10,000	0	0.0%
50450	Dues And Association Memberships	1,753	2,150	2,150	0	0.0%
50459	Other Charges Miscellaneous	0	480,938	355,601	-125,337	-26.1%
50500	Office Supplies	18,992	6,500	11,650	5,150	79.2%
50501	Food Supplies and Food Service Supplies	7,824	6,000	6,000	0	0.0%
50512	Books and Subscriptions	484	400	400	0	0.0%
50521	Computer Software	11,600	0	0	0	0.0%
50666	Service - CRWP	4,187	0	0	0	0.0%
50667	Contracts - CRWP	2,972,019	3,078,447	2,791,115	-287,332	-9.3%
50668	Individual Referral - CRWP	156,867	0	0	0	0.0%
50673	Supportive Services - CRWP	1,339	0	0	0	0.0%
50674	Special Events	0	226,000	147,549	-78,451	-34.7%
50815	Computer Equipment-New Less Than \$5000	28,721	0	0	0	0.0%
50835	Computer Equipment-Replacement Less Than \$5000	1,839	0	0	0	0.0%
Total Department		4,308,882	5,485,944	5,957,328	471,384	8.6%