

TO: Executive Committee

DATE: 05/07/2018

FROM: Workforce Investment Staff

For Action

For Information

For Discussion

SUBJECT: 2018/2019 Proposed Budget

PROPOSED MOTION (S): Approval of the 2018/2019 proposed budgeted and recommendation to the full Workforce Development Board for approval.¹

DISCUSSION: This is the proposed fiscal budget for the 2018/2019 fiscal year. This budget is based on the previous year's budget and changes are minimized per instruction from the budget analyst. The proposed budget is a reflection of all known and anticipated income/expenses.

The 2018/2019 proposed budget was written with the following goals in mind:

- Increased services to business; and
- Increased operational capacity.

Increased services to businesses allows training to continue to respond directly to business needs, as in the case with the Direct Entry Employment Training cohorts. This will also allow a sector based approach to business outreach, and provide for an intermediate supervisor to head the business services unit that will report directly to the Program Manager.

A year and a half ago Merced Worknet was named the lead and fiscal agent for the San Joaquin Valley Regional Planning Unit. This planning unit comprises of the 10 counties and 8 workforce development entities of the Central Valley, which cover 25% of California. This is the largest Regional Planning Unit in California. As such, Merced Worknet plays a critical role acting as a liaison through the Regional Organizer/Regional Training Coordinator, between the state and the local areas. Merced Worknet also has been managing more than \$1.5 million in regional funds, with additional awards available in the coming year. This has necessitated a corresponding growth in operational capacity.

¹ Pursuant to Title I of the Workforce Innovation and Opportunity Act (Public Law 113-128) an amount equal to thirty (30) percent of the Title I available funds shall be spent upon training. This budget is written to comply with that requirement.

Program Year 2018/19



Budget Summary

Dept. Main Budget Unit	550000
-------------------------------	--------

Line Item	Expense Item	Amount Budgeted
A.	Staff Salaries	\$1,687,188.00
B.	Staff Benefit Cost	\$1,514,170.00
C.	Staff Travel	\$93,323.00
D.	Operating Expenses (communications, facilities, utilities, maintenance, consumable supplies, audit, etc.)	\$1,929,694.00
E.	Tuition Payments/Vouchers/On-the-Job Training/Supportive Services	\$1,050,664.00
F.	Participant Wages and Fringe Benefits	\$364,376.00
G.	Contractual Services	\$1,424,000.00
H.	Intrafund Transfer (Revenue Contracts) ¹	-\$1,153,510.00
TOTAL FUNDING**		\$6,909,905.00

¹ Please note, this item is shown as a negative to reflect that it is an interfund transfer via contract from another department that has already been reported as revenue by that department.