
MEMORANDUM

To: Committee of Six
From: Louis Tatum, Interim CEO
Presented by: Louis Tatum, Interim CEO
Date: August 28, 2019
Regarding: Annual Budget Approval

SUMMARY: The board staff prepares a budget based on assumption of planned allocation from Texas Workforce Commission and anticipated carryover funds from existing contracts.

The Source of funds outlines the method to finance, the budget, and then the use of funds is based in the following sections:

- Board Administration or Corporate Budget
- Facilities Budget – Rent and support of the facilities and other items to support the contractor staff, software, supplies and equipment.
- Special Projects- Rapid Response, Child Care Attendance, and Workforce Initiatives.
- Contractor Budget, primarily Adult Contractor, Youth Contractor and Childcare contractor.

STAFF RECOMMENDATION:

Discussion and Possible Action to approve the Annual Budget for the period of October 1, 2019 to September 30, 2020. The budget will be amended after final allocation and close-out of Fiscal Year 10/01/2018-09/30/2019, expected to bring realignment in December 2019.

STRATEGIC OBJECTIVE:

The adoption of the budget provides direction and authority to implement a plan for delivery of services. The core process for expenditure control and strategic allocation of resources for the entity. Provides structure for guidance.

- Planning
- Coordination
- Resource Allocations
- Performance Review

Listed below are the major changes in Fiscal Year 2019-2020, as compared to FY 2018-2019 budget that was amended with Amendment #2

Board Administrative Budget

Personnel			
	FY 2019-2020	FY 2018-2019 Budget	Comments
1. FTEs			<p>The current budget has 40 FTE with 5 vacant positions.</p> <ul style="list-style-type: none"> • CEO Vacant • Procurement Director Vacant • Navigator Vacant • Quality Manager Vacant • Workforce Specialist as of 8/2 <p>New Positions 10/1/19 to be determined if needed after new CEO and review of staffing;</p> <ul style="list-style-type: none"> • Director of Operation • Childcare Specialist • Exe. Assistant <p>Staffing Agency (will be look at if needed year-round or short term.)</p> <ul style="list-style-type: none"> • HR Specialist • Digital Market Specialist • Front Desk Temp <p>(40+3=43 FTEs) + (3 Temp paid by staffing agency FTEs) = Total 46 FTEs)</p>
<p>The 2019-2020 Salary Budget has 3 new positions. Two (2) positions will be on hold to be determined if needed by the new CEO. There is a need to build a succession plan for the entity.</p>			
Salary Schedule Reconciliation			
Base Salary FY 2018-2019	\$2,659,951	\$2,659,951	
2.	\$145,883		<p>Increase \$145,883 Original budget several position for ¾ of the year and difference is for a complete 12-month cycle.</p>
	\$158,750		<p>3 New Full-time FTE Director of Operation .75 FTE Childcare Specialist</p>

3. New Positions			Exe. Assistant .75 FTE
4. Eliminate Position	(\$78,000)		Eliminate Community Initiative Mgr.
5. Review of Staff Salary	\$132,627.73		Set aside funds to look at compensation for staff, in current budget some positions were adjusted and plan to have a review of pay scale. (Salary Adjustments)
Total Salary	\$3,019,213	\$2,659,591	Increase \$ 359,261 or 14%
Fringes	\$834,822	\$820,784	Increase \$ 14,037

The 2017-2018 Salary Budget was \$2,483,651 and the salary lapse was \$286,266. The potential lapse in salaries this year fiscal year (2018-2019) is estimated at \$309,501. The last two year we have not been fully staffed and now focusing to fill vacant positions and develop a succession and training plan for all staff.

Facility reflects the following changes.

	FY 2019-2020	FY 2018-2019 Budget	Comments
Rent	\$340,000	\$400,000	Decrease of (\$60,000) Contractor staff housed at Corporate Office and the shared cost is allocated to another budget

Equipment/Related Costs reflects the following changes.

	FY 2019-2020	FY 2018-2019 Budget	Comments
Software Maintenance & Support	\$35,000	\$30,000	Increase of \$5,000 Expecting to get additional licenses for the use of the paperless software.

General Office Expense the following changes

	FY 2019-2020	FY 2018-2019	Comments
Insurance			Increase \$10,000
			<ul style="list-style-type: none"> • Property \$9,623 • Inland Marine \$8,035 • General Liability \$8,185 • Business Auto \$2,204 • Profession Liability \$2,779 • Umbrella \$5,473 • Crime \$7,004 • Cyber Liability \$12,631 • D&O Estimate \$29,793 • Contingency for Claims \$149,273
	\$235,000	\$225,000	

Office Supplies	\$34,000	\$64,000	Decrease (\$30,000) The budget included funding for Laptops purchases in current budget.
Printing	\$10,500	\$5,500	Increase of \$5,000 Additional outreach material
Marketing	\$90,000	\$52,000	Increase of \$38,000 Expected to develop annual report and collaterals for newsletter.
Non-Federal	\$50,000	\$12,000	Increase of \$38,000 Expect to incur cost on stakeholder communications to promote WSA image, \$30,000. Balance for contingency any cost that can not be paid with federal funds.

Professional Services the following changes

	FY 2019-2020	FY 2018-2019 Budget	Comments
Professional Services	\$172,000	\$125,500	Increase of \$46,500 Hawkins Personnel Group this is for staffing of 3 position \$75,000 <ul style="list-style-type: none"> • HR Assistant • Front Desk Relief • Digital Marketing Assistant CEO Search \$32,400 Organization Review \$64,000

Board Expenses the following changes

	FY 2019-2020	FY 2018-2019 Budget	Comments
Board Member Expense	\$35,000	\$41,000	Decrease (\$6,000) Adjustment for professional services consultant on CEO search incur in prior fiscal year.

Overall Administrative Budget

	FY 2019-2020	FY 2018-2019 Budget	Comments
Board Budget (admin budget)	\$5,685,034	\$5,282,735	Increase \$402,299 or 8% Changes to staffing and other adjustments.

Facility Budget

Listed below is the major changes in the Facility Budget.

WSA maintains five (5) centers in San Antonio and eleven (11) centers in the adjacent counties. This year we are looking to procure space for the Workforce Center located at E. Houston in San Antonio, and the Workforce Center located in Seguin. The Hillcrest Workforce Center will be relocated to a renovated facility located at 9725 Datapoint. Tentative date of relocation is November 2019.

We have several rural offices that have TWC VR staff and currently in the process of developing a plan to move additional TWC VR staff into several centers in the Urban.

	FY 2019- 2020	FY 2018-2019	Comments
Facility	\$4,977,776	\$4,588,627	Increase \$389,149 Potential Move from Hillcrest to Datapoint, E. Houston, and Seguin Offices.

Reserve

	FY 2019-2020	FY 2018-2019	Comments
Reserved /Unobligated	\$5,326,399	\$6,375,805	Decrease (\$1,049,406) Most of the adjustment is due to childcare carryover funds from prior fiscal year.

Contractors

	FY 2019-2020	FY 2018-2019	Comments
Budget	\$87,527,174	\$87,234,548	Increase of \$292,626

Overall Budget

	FY 2019-2020	FY 2018-2019 Budget	Comments
Annual Board Budget	\$104,878,361	\$104,694,228	Increase \$184,133

ATTACHMENTS:

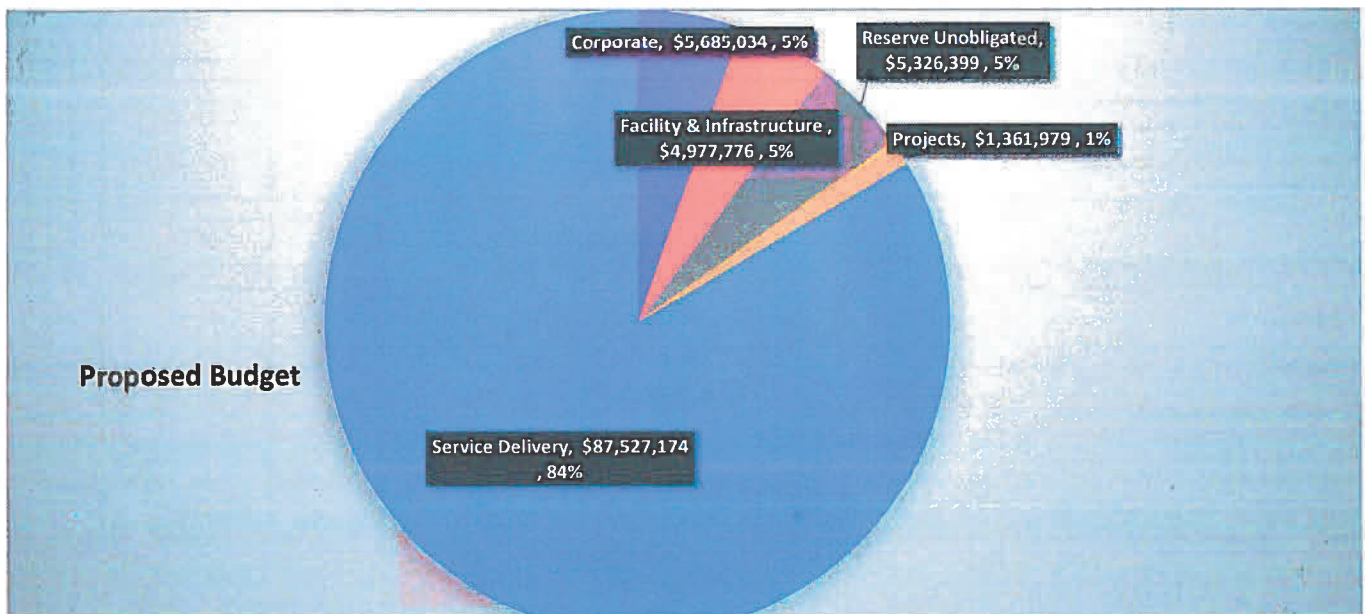
Method of Finance
Proposed Budget

Workforce Solutions Alamo
Board Fiscal Year October 1, 2019 - September 30, 2020
Budget

	A	B	C	D	E	E-B E-C
	Annual Budget 2018-2019	Annual Budget Amended #1	Annual Budget Amended #2	Projected Oct 1 to Sept 30, 2019	Proposed Annual Budget 2019-2020	Dollar Change
PERSONNEL						
Salaries/Wages	\$ 2,659,951	2,659,951	\$ 2,659,951	\$ 2,350,451	\$ 3,019,213	\$ 359,261
Fringe Benefits	820,784	820,784	820,784	613,888	834,822	\$ 14,037
Staff Travel	70,000	80,000	80,000	68,141	70,000	\$ (10,000)
Staff Training/Development	30,000	37,500	37,500	26,562	30,000	(7,500)
PERSONNEL SUBTOTAL:	\$ 3,580,735	\$ 3,598,235	\$ 3,598,235	\$ 3,059,042	\$ 3,954,034	\$ 355,799
FACILITY						
Rent	\$ 400,000	\$ 400,000	\$ 400,000	\$ 298,509	\$ 340,000	\$ (60,000)
Building Out/Moving Expenses						
FACILITY SUBTOTAL:	\$ 400,000	\$ 400,000	\$ 400,000	\$ 298,509	\$ 340,000	\$ (60,000)
EQUIPMENT/RELATED COSTS						
Equipment Purchases	\$ 30,000	\$ 30,000	\$ 30,000	\$ 20,000	\$ 30,000	\$ -
Equipment Rental	16,000	20,000	20,000	16,136	20,000	-
Repair & Maintenance-Equipment	2,000	2,000	2,000	525	2,000	-
Software Licenses	10,000	10,000	10,000	6,749	10,000	-
Software Maintenance & Support	30,000	30,000	30,000	28,601	35,000	5,000
EQUIPMENT/RELATED COSTS SUBTOTAL:	\$ 88,000	\$ 92,000	\$ 92,000	\$ 72,011	\$ 97,000	\$ 5,000
GENERAL OFFICE EXPENSES						
Communications	\$ 55,000	\$ 55,000	\$ 55,000	\$ 45,964	\$ 55,000	\$ -
Advertising	5,000	5,000	5,000	-	5,000	-
Insurance	75,000	225,000	225,000	146,790	235,000	10,000
Office Supplies	24,000	84,000	64,000	39,158	34,000	(30,000)
Postage/Shipping/Other	4,000	4,000	4,000	2,841	4,000	-
Printing, Binding & Reproduction	5,500	5,500	5,500	5,478	10,500	5,000
Publications & Subscriptions	5,500	5,500	5,500	2,153	5,500	-
Dues	25,000	25,000	25,000	15,693	25,000	-
Storage	8,000	8,000	8,000	7,416	8,000	-
Marketing (External)	50,000	180,000	52,000	32,021	90,000	38,000
Miscellaneous Costs	10,000	10,000	10,000	4,606	10,000	-
Non Federal	-	-	12,000	10,939	50,000	38,000
GENERAL OFFICE EXP SUBTOTAL:	\$ 287,000	\$ 587,000	\$ 471,000	\$ 313,058	\$ 532,000	\$ 61,000
PROFESSIONAL SERVICES						
Legal-General Corporate Matters	\$ 65,000	\$ 65,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ -
Legal-Other Corporate Matters	60,000	60,000	85,000	80,000	85,000	-
Audit	80,000	80,000	80,000	75,000	80,000	-
Monitoring (Contractor)	400,000	300,000	300,000	290,000	300,000	-
Professional Services	32,000	65,500	125,500	66,061	172,000	46,500
Payroll Fees	-	-	-	-	-	-
PROFESSIONAL SERVICES SUBTOTAL:	\$ 637,000	\$ 570,500	\$ 680,500	\$ 601,061	\$ 727,000	\$ 46,500
BOARD EXPENSES						
Board Member Travel	\$ 8,000	\$ 13,000	\$ 13,000	\$ 7,491	\$ 8,000	\$ (5,000)
Board Member Training/Development	7,000	7,000	7,000	3,775	7,000	\$ -
Board Meetings/Misc.	15,000	15,000	21,000	20,799	20,000	\$ (1,000)
BOARD EXPENSES SUBTOTAL:	\$ 30,000	\$ 35,000	\$ 41,000	\$ 32,065	\$ 35,000	\$ (6,000)
TOTAL WSA CORPORATE BUDGET	\$ 5,002,735	\$ 5,282,735	\$ 5,282,735	\$ 4,375,747	\$ 5,685,034	\$ 402,299
SUMMARY:						
Personnel	\$ 3,580,735	\$ 3,598,235	\$ 3,598,235	\$ 3,059,042	\$ 3,954,034	\$ 355,799
Facility	400,000	400,000	400,000	298,509	340,000	(60,000)
Equipment/Related Costs	88,000	92,000	92,000	72,011	97,000	5,000
General Office Expenses	267,000	587,000	471,000	313,058	532,000	61,000
Professional Services	637,000	570,500	680,500	601,061	727,000	46,500
Board Expenses	30,000	35,000	41,000	32,065	35,000	(6,000)
TOTAL WSA CORPORATE BUDGET	\$ 5,002,735	\$ 5,282,735	\$ 5,282,735	\$ 4,375,747	\$ 5,685,034	\$ 402,299

**Workforce Solutions Alamo
Board Fiscal Year October 1, 2019 - September 30, 2020
Budget**

	A	B	C	D	E	E-B E-C
	Annual Budget 2018-2019	Annual Budget Amended #1	Annual Budget Amended #2	Projected Oct 1 to Sept 30, 2019	Proposed Annual Budget 2019-2020	Dollar Change
FACILITY & INFRASTRUCTURE BUDGET						
Facility Related Occupancy	\$ 2,348,485	\$ 2,168,485	\$ 2,168,485	\$ 2,245,231	\$ 2,795,066	\$ 626,581
Equipment Related	148,810	148,810	148,810	218,518	214,395	65,585
Rental of Equipment	157,860	157,860	157,860	170,487	179,678	21,818
Software Related	549,417	549,417	549,417	170,846	276,441	(272,976)
Communications	213,693	213,693	213,693	225,739	228,805	15,112
General Office	103,759	103,759	103,759	101,589	93,595	(10,164)
Travel Mileage	-	-	-	-	-	-
Other	35,585	35,585	35,585	47,006	27,855	(7,730)
Reserve facility	1,535,441	1,211,018	1,211,018	1,137,856	1,161,940	(49,078)
TOTAL FACILITY & INFRASTRUCTURE BUDGET	\$ 5,093,061	\$ 4,588,628	\$ 4,588,627	\$ 4,317,272	\$ 4,977,776	\$ 389,149
RESERVE UNOBLIGATED	\$ 2,096,743	\$ 6,375,805	\$ 6,375,805		\$ 5,326,399	\$ (1,049,406)
PROJECTS	\$ 423,082	\$ 1,212,513	\$ 1,212,513		\$ 1,361,979	\$ 149,466
SERVICE DELIVERY BUDGET						
W/OA ADULT	\$ 3,114,801	\$ 3,105,641	\$ 3,105,641		\$ 3,465,161	\$ 359,520
W/OA DISLOCATED	2,205,960	2,389,090	2,389,090		3,494,069	1,104,979
W/OA YOUTH	2,482,239	2,972,361	2,972,361		4,338,272	1,365,911
W/OA RAPID RESPONSE	-	-	-	-	-	-
TANF	3,752,154	3,940,704	3,940,704		4,410,565	469,861
SNAP E&T	546,716	1,024,100	1,024,100		1,277,464	253,364
NON CUSTODIAL PARENT	386,248	386,248	386,248		364,552	(21,696)
CHILD CARE CCF	59,055,749	60,127,585	60,127,585		58,472,527	(1,655,058)
CHILD CARE CCM	-	-	-	-	-	-
CHILD CARE CCP/CCC	9,981,725	9,865,489	9,865,489		9,566,850	(298,639)
TRADE ACT SERVICES	432,500	432,500	432,500		275,269	(157,231)
CHILD CARE ATTENDANCE AUTOMATIC	-	-	-	-	-	-
CCQ QUALITY	1,164,895	1,800,495	1,800,495		1,081,376	(719,119)
EXTERNSHIP FOR TEACHERS	-	-	-	-	-	-
REEMPLOYMENT SERVICES	-	422,282	422,282		-	(422,282)
MILITARY FAMILY SUPPORT	-	175,422	175,422		61,084	(114,338)
INFRA SUPPORT VR	-	9,631	9,631		69,985	60,354
VR Summer and Earn	600,000	583,000	583,000		450,000	(133,000)
WORKFORCE Innovation	-	-	-	-	200,000	200,000
SERVICE DELIVERY BUDGET	\$ 83,722,987	\$ 87,234,548	\$ 87,234,548	\$ -	\$ 87,527,174	\$ 292,626
TOTAL	\$ 96,338,598	\$ 104,694,229	\$ 104,694,228		\$ 104,878,361	\$ 184,133



**WORFORCE SOLUTIONS ALAMO
BUDGET AND ALLOCATIONS
OCTOBER 01, 2019 - SEPTEMBER 30, 2020**

FUNDING SOURCE	REVENUE				EXPENDITURES				
	CARRYOVER	NEW ALLOCATIONS	FUTURE ALLOCATIONS	ANNUAL BUDGET FY 2019-2020	BOARD ADMINISTRATIVE BUDGET	FACILITIES	PROJECTS	CONTRACTORS	RESERVED/ UNOBLIGATED
WIOA ADULT	653,988	3,290,598	640,302	4,584,888	667,904	398,432		3,465,161	53,391
WIOA DISLOCATED	982,881	2,939,757	604,500	4,527,139	633,912	399,157		3,494,069	-
WIOA YOUTH	4,235,454		926,596	5,162,050	466,650	277,860		4,338,272	79,268
WIOA RAPID RESPONSE	35,735		22,856	58,591	-	-	58,591		
TANF	507,055	6,169,544		6,676,599	812,841	1,197,470		4,410,565	255,723
SNAP E&T	-	1,880,674	-	1,880,674	328,790	274,420		1,277,464	
NON CUSTODIAL PARENT		437,152	-	437,152	42,000	15,600		364,552	15,000
CHILD CARE CCF	-	53,096,968	-	53,096,968	2,179,679	737,897	150,000	49,277,504	751,888
CHILD CARE CCM	6,066,323	7,211,390		13,277,713				9,195,023	4,082,690
CHILD CARE CCP	9,566,850	-	-	9,566,850				9,566,850	
TRADE ACT SERVICES	70,269	225,000		295,269	3,000	10,000		275,269	7,000
EMPLOYMENT SERVICES	75,080	598,822	-	673,902	54,000	568,463			51,439
RESOURCE ADMIN GRANT		11,081	-	11,081	1,108	9,973			
VETERANS EMPLOYMENT SERVICE		233,000	-	233,000	11,650	221,350			
CHILD CARE ATTENDANCE AUTOMATION		361,164	-	361,164			361,164		
CCQ QUALITY	143,000	1,230,783		1,373,783	152,500	129,907		1,081,376	10,000
WORK COMMISION INITIATIVES	93,000	108,868	-	201,868		58,868	143,000		
EXTERNSHIP FOR TEACHERS	25,000	-	-	25,000	5,000		20,000		
REEMPLOYMENT	-	-	-	-					
MILITARY	64,084	-	-	64,084	1,000	2,000		61,084	
STUDENT HIREABLILITY NAVIAGATOR	200,000	-	-	200,000	200,000				
INFRA SUPPORT VR	321,166	420,197	-	741,363		671,378		69,985	
SUMMER EARN & LEARN		900,000	-	900,000	125,000	5,000	300,000	450,000	20,000
WORKFORCE INNOVATION AND OPPORTUNI	479,224			479,224			279,224	200,000	
Non Federal		50,000		50,000	-		50,000		
Total	\$ 23,519,109.26	\$ 79,164,997.37	\$ 2,194,254.53	\$ 104,878,361.16	\$ 5,685,034.04	\$ 4,977,775.85	\$ 1,361,979.00	\$ 87,527,173.66	\$ 5,326,398.59