

WDC FINANCE & ADMINISTRATION COMMITTEE

March 15th, 2024



SEAKINGWDC.ORG

WELCOME & INTRODUCTIONS

Jiquanda Nelson, *Board Chair*

AGENDA

- Review draft agenda

I. INTRODUCTIONS

II. ACTION ITEMS

- A. Approve Minutes – *February 2nd, 2024*
- B. Financial Overview
 - PY22 Audit
- C. Programmatic Innovation, Impact & Compliance
 - Youth RFP Recommendations
 - EcSA Policy for Allowable Uses

III. CEO REPORT

- A. Executive Summary
 - WIOA Local Plan & Regional Strategic Plan Refresh Update
- B. Programmatic Innovation, Impact & Compliance
 - Grants Update

IV. ADJOURNMENT

ACTION ITEMS

- Approve Minutes – February 2nd, 2024
- Financial Overview
 - PY22 Audit
- Programmatic Innovation, Impact & Compliance
 - Youth RFP Recommendations
 - EcSA Policy for Allowable Uses

PY22 Audit Report

- Our audit for PY22 concluded with no findings, indicating a clean audit.
- We addressed previous material weaknesses in internal controls, particularly regarding revenue recognition from indirect expenses.
- Corrective measures have been implemented, as shown in the final audit report's summary schedule of prior year findings.
- Our objective is to achieve an unmodified (clean) audit opinion in future audits, ensuring our financial statements are fairly presented in accordance with U.S. generally accepted accounting principles.

We appreciate your continued support as we strive for future audits with similar successful outcomes. Please do not hesitate to contact us if you have any questions or need additional information to ensure the integrity and accuracy of our financial reporting.



Workforce Development Council of Seattle-King County

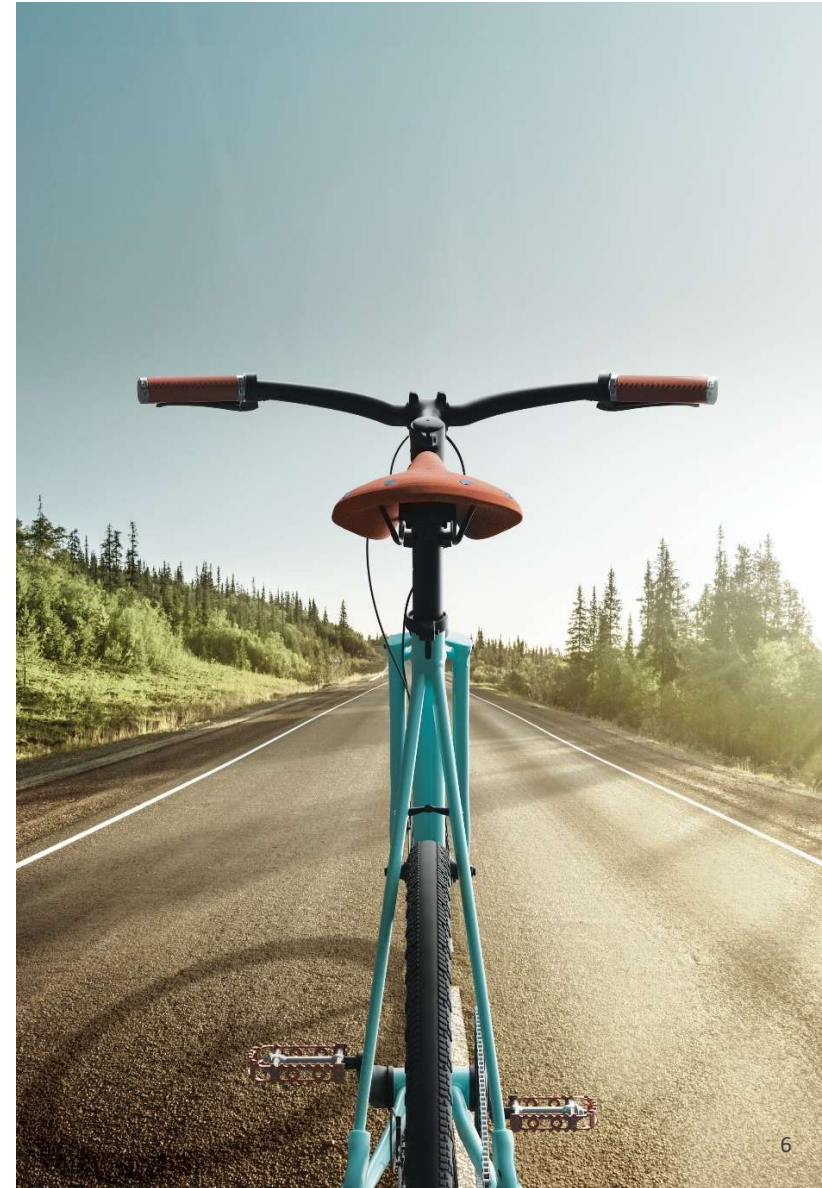
FY23 Audit Presentation



We'll get you there.

CPAs | CONSULTANTS | WEALTH ADVISORS

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Objectives

Overview &
Opinion

Audit Process,
Scope &
Deliverables

What's New in
the Report

Highlights &
Special Thanks

Finalization Steps
& Questions



Audit Results



Audit Process, Scope & Deliverables

Audit Timing:
9/20/23 to
3/15/24

Audit the
Financial
Statements

Single Audit
3 Major
Programs

Reporting on
Internal Controls
and Compliance

Provide
Reasonable
Assurance

Implement New
Lease Standard



What's New in the Report:

Change in Accounting Principle

As discussed in Note 7 to the financial statements, in 2023, the Organization adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-of-use asset and corresponding liability for all operating and finance leases with lease terms greater than one year. Our opinion is not modified with respect to this matter.

- Page 1: Paragraph titled “Change in Accounting Principle” to document implementation of ASC 842 which requires organizations to recognize lease arrangements as both an asset and a liability on the balance sheet (page 4).

	2023
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ -
Accounts Receivable	6,235
Grants Receivable	4,192,896
Custodial Account	1,930
Prepaid Expense	70,956
Total Current Assets	4,272,017
PROPERTY AND EQUIPMENT	
Furniture and Equipment	172,360
Less: Accumulated Depreciation	(172,360)
Total Property and Equipment	-
RIGHT-OF-USE ASSETS	
Operating ROU Asset	325,617
Finance ROU Asset	66,483
Total Right-of-Use Assets	392,100
Total Assets	\$ 4,664,117
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Checks in excess of deposits	\$ 459,193
Accounts Payable	2,457,056
Accrued Payroll and Related Liabilities	159,167
Accrued Vacation and Sick Leave	163,065
FSA Liability	4,030
Current Lease Liability - Operating	224,435
Current Lease Liability - Finance	16,976
Refundable Advances	523,082
Deferred Rent	-
Total Current Liabilities	4,007,004
Long-Term Lease Liability - Operating (Less Current Liability)	135,927
Long-Term Lease Liability - Finance (Less Current Liability)	50,465
	186,392
Total Liabilities	4,193,396



Statement of Activities Highlights

- Cash: Down by \$1.3M. Due amounts of receivables as of year end. Overall, current assets actually increased. Mainly due to timing.
- Grants receivable: Increased by \$1.7M due to timing of invoicing to granting agencies.
- Right of Use Assets/Liabilities: Increase (on asset side) of \$392K due to initial implementation of the lease standard. Increase (on liability side) of \$427K.
- Checks in excess of deposits: Not a usual line item. Resulted from the checking account (in the GL, not the bank) having a negative balance due to more checks being written than deposits coming in. Due to timing.
- Accounts Payable: Increase of \$611K. Significant amounts owed for subrecipient reimbursements. Additionally, higher reimbursement activity due to increase in grants.
- Net Assets: Down by \$388K as there was a net loss this year.



Statement of Financial Position Highlights

- Grants & Contributions: Increased by \$2.4M. Mainly from State and County grantors (King County and State EcSA).
- Net Assets Released: \$947K versus \$707K last year (BofA, Chase Equity, JPMC Industry Tables). Note: Releases have offsetting entries, which is why the prior year indicates \$0.

PUBLIC SUPPORT AND REVENUES				
Grants and Contributions	\$ 17,921,480	\$ 598,000	\$ 18,519,480	\$ 16,132,138
Net Assets Released from Restriction	947,471	(947,471)	-	
Total Public Support and Revenues	<u>18,868,951</u>	<u>(349,471)</u>	<u>18,519,480</u>	<u>16,132,138</u>

- Expenses: Increased by \$3.7M. Expected as revenue increased.



Significant Footnotes:

- Concentrations of Risk: Support and revenue from government sources was approximately 96% of total revenue.
- Adoption of ASC 842 for Leases. Effective 7/1/22.
- Related Party Transactions: Increase in funding (King County and City of Seattle).



Single Audit:

- Tested three major programs:
 - Workforce Innovation Opportunity Act (WIOA) Cluster
 - Coronavirus State and Local Fiscal Recovery Funds (CLFRF)
 - Community Development Block Grants (CDBG)
- Internal control findings – None identified



Special Thanks to...

- Jeff Sikora
- Laura Kapuscinski
- Tracey Patrick
- Radhika Baliga
- Program Personnel

The Workforce Team provided everything we asked for and were always available for follow-discussions. Thank you!



Other Required Communication to Governance:

- Since our original discussion during our planning phase, there have been no changes in the scope of the audit.
- No particularly sensitive estimates in the financial statements.
- No sensitive disclosures.
- No uncorrected misstatements.
- CLA's audit report and the financial statements are ready for the Board to approve.
- A management representation letter will be signed at the conclusion of the engagement.



RFP NO. 23-01

CENTERING YOUNG BLACK MEN

WIOA YOUTH PROGRAMS

Approve Recommendations

BACKGROUND



WHY

- ▶ In King County, of the 19,400 disconnected youth from school and or work, young black men who aren't in school or have any educational attainment tend to have higher unemployment rates and low labor force participation rates.
- ▶ Young black men, specifically ages 18-21, tend to be most at risk of low educational attainment and unemployment. We found that 60% are not in school or are unemployed, over 50% have not obtained a secondary credential, and are geographically situated in the southern parts of King County.
- ▶ Increase awareness and address challenges young black men face navigating systems that lead to entering the workforce.

PROGRAM DESIGN – CENTERING YOUNG BLACK MEN

TARGETED UNIVERSALISM

This RFP seeks to address these disparities by building structural sustainability through the targeted universalism approach. Proposals are required to demonstrate how to serve the young adult demographic, specifically young black males ages 18-24, who are significantly underrepresented in educational attainment and employment and overrepresented in low-income and disengagement to the education system.

The intent of the RFP is to provide services through three focus tracks:



Preparing youth for the workforce through post-secondary education.

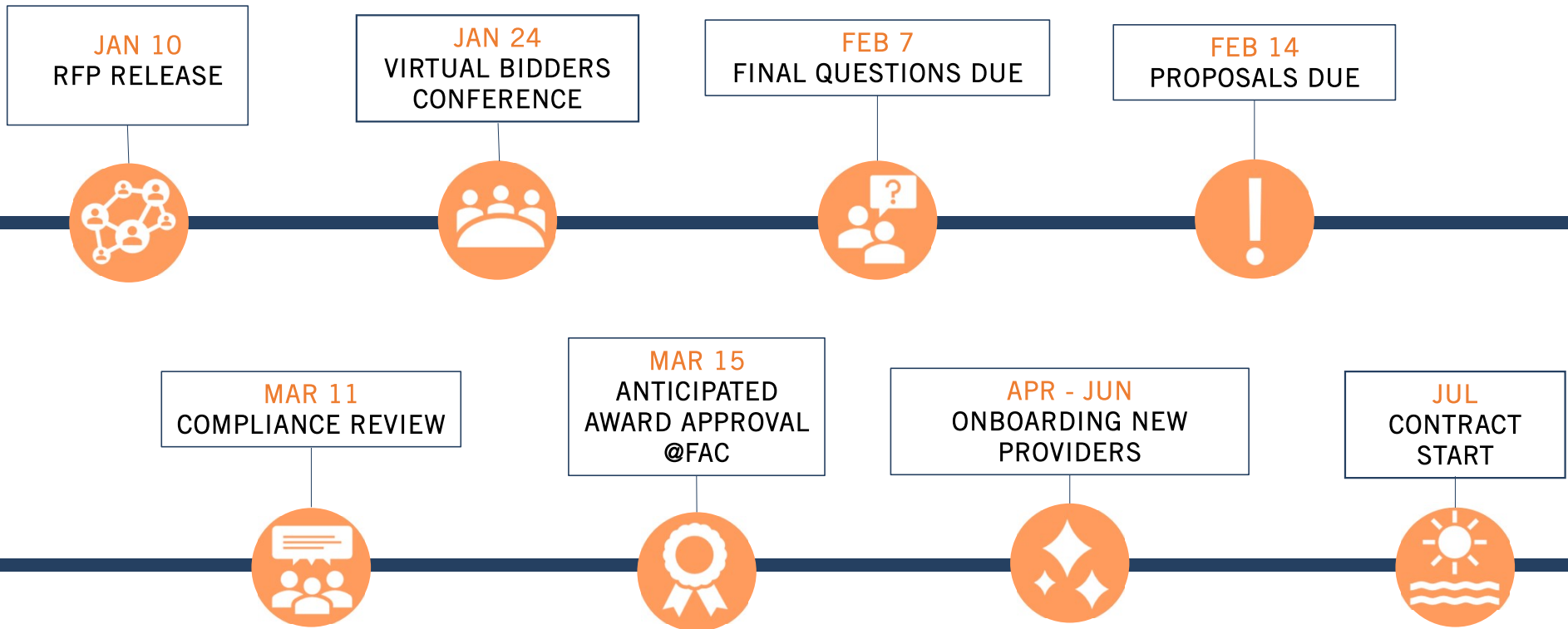


Re-engagement and advocating for youth to and through Open Doors programs.



Exploring non-traditional work experiences and apprenticeship opportunities that lead to high-quality jobs.

RFP TIMELINE





Funding is broken down into two categories (WIOA definitions)

- In-School Youth
 - Out-of-School Youth
- WDC applies 80/20 split WIOA Youth funding
 - Up to \$900,000 is available for the program period of July 1, 2024, until June 30, 2025.

AVAILABLE FUNDING

Estimated Funds Available	
WIOA In-School Youth	Up to \$180,000
WIOA Out-of-School Youth	Up to \$720,000
Total Funds Available	Up to \$900,000

PROPOSALS / FUNDING REQUEST

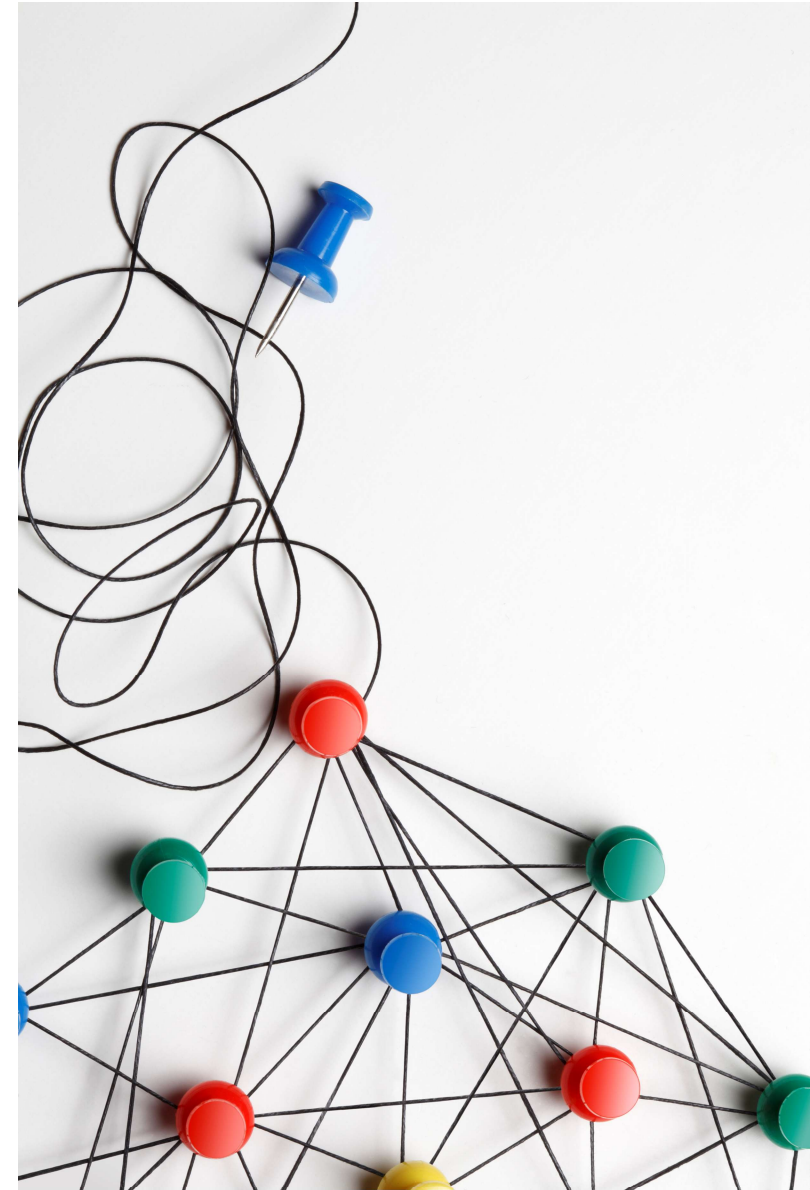


Organization	Consortium or Single Agency	Amount Requested
Ace Academy	Single Agency	\$891,137.65
ANew	Single Agency	\$836,138.62
Boys and Girls Club of King County	Single Agency	\$450,103.72
Build2Lead	Single Agency	\$456,137.17
CareerTEAM	Consortium	\$900,000.00
East African Community Services	Single Agency	\$450,000.00
Evergreen Goodwill	Single Agency	\$567,401.00
PEARi	Single Agency	\$450,000.00
Urban League of Metropolitan Seattle/Maritime	Consortium	\$741,868.25
Urban League of Metropolitan Seattle/Building Cultural Gaps	Single Agency	\$900,000.00
YouthCare	Single Agency	\$458,206.33
TOTAL Funding Available		\$900,000.00

ANALYSIS OF TOP PROPOSALS

Proposals demonstrated strengths and experience in the following areas:

- Centers equity advancing race-conscious policies, programs, and services.
- Experience delivering quality work readiness training, soft skills training, referral to training, and placement/job retention approaches.
- Provides services to target populations with integrated social services, with a strong emphasis on youth development, and whose board of directors, leadership, and staff reflect the communities prioritized for services.
- Facilitates participant linkages to critical work supports and barrier removal resources.
- Direct connections and relationships with BIPOC community and business partners.





ANALYSIS OF TOP PROPOSALS

Name of the organization	Amount Requested	# of Youth Served	Consortium	Consortium Members
Boys & Girls Club of King County	\$450,103.72	60	No	
Urban League of Metropolitan Seattle/Maritime	\$741,868.25	87	Yes	Washington Maritime Blue

RECOMMENDATIONS



The evaluation panel recommends funding the following organizations for from June 1, 2024, through June 30, 2025.

Name of the Organization	12-month recommended funding
1. Boys and Girls Club of King County	\$ 450,000
2. Urban League Metropolitan of Seattle	\$ 450,000

ACTION REQUESTED

The committee is requested to consider and approve the recommendations for contract awards. If approved, new contracts will begin July 1, 2024, and end June 30, 2025.

POLICY UPDATE

Economic Security for All (EcSA)

Funding Allowable Uses Policy

Change: Updates guidance on allowable uses with State EcSA funds and adds flexibility in the application of incentives.

Action Requested: WDC staff recommends the update policy be accepted for final approval and immediate release of EcSA (State) Funding Allowable Uses Policy.

CEO REPORT

- Executive Summary
 - WIOA Local Plan & Regional Strategic Plan Refresh
- Programmatic Innovation, Impact & Compliance
 - Grants Updates



WIOA LOCAL PLAN

HELP SHAPE THE FUTURE OF THE LOCAL WORKFORCE

DRAFT WIOA Local Plan was published on the WDC website on March 5th and will be available for public review and comment for 30 days.

HOW TO PARTICIPATE:

- Review the Draft Plan: Access the full document [here](#).
- Provide Feedback: Share your thoughts, suggestions, and recommendations to us by email at info@seakingwdc.org. Please include “Local Plan Public Comment” in the subject line.

WIOA LOCAL PLAN 2024-2028

- Local Workforce Development Board (LWDB) in partnership with CLEOS
- Aligned with State Workforce Board plan
- Strategy, operations & compliance

REGIONAL STRATEGIC PLAN UPDATE

- Regional workforce development stakeholders (funders, economic development, community and workforce system)
- Shared blueprint
- Alignment of regional and partner workforce efforts and resources
- Partnership & collaboration
- Scaling for impact

ALIGNING TO SHARED PRIORITIES:

ADVANCING RACIAL EQUITY & JOB QUALITY

- Commitment to **centering racial justice**.
- Addressing other inequities and disproportionately impacted communities to **support economic opportunity and inclusion**.
- **Explicit focus on equitable economic opportunity** and outcomes for Black, Indigenous, People of Color (BIPOC) and immigrant and refugee communities, who have historically experienced economic marginalization exclusion.
- **Improving job quality** and the placement of workers into quality jobs.

WIOA LOCAL PLAN VS. REGIONAL STRATEGIC PLAN

WIOA LOCAL PLAN	REGIONAL STRATEGIC PLAN
WIOA Compliance	Shared Regional Blueprint
Institutional Ownership	Collective Ownership
WDC Driven	Industry and Community Driven
Focused on WIOA Target Populations and Title I	Centering Racial Equity
Program Centric	+ Systems Change
WIOA Performance Outputs (Training and Job Placements)	Inclusive Economic Prosperity – Results
Neutrality	Advocacy

WIOA LOCAL PLAN WORKSTREAMS

Research & Data

- Regional Analyses
- Labor Market Data and Trends
- Workforce Demographics
- National Best Practices

Industry Strategies

- Priority Sectors/Occupational Clusters
- Industry & Business Services Strategies
- Regional Partnership

WorkSource Reimagined

- Integration
- Community Partnerships
- Population Based Strategies
- System and Policies

Stakeholder Engagement

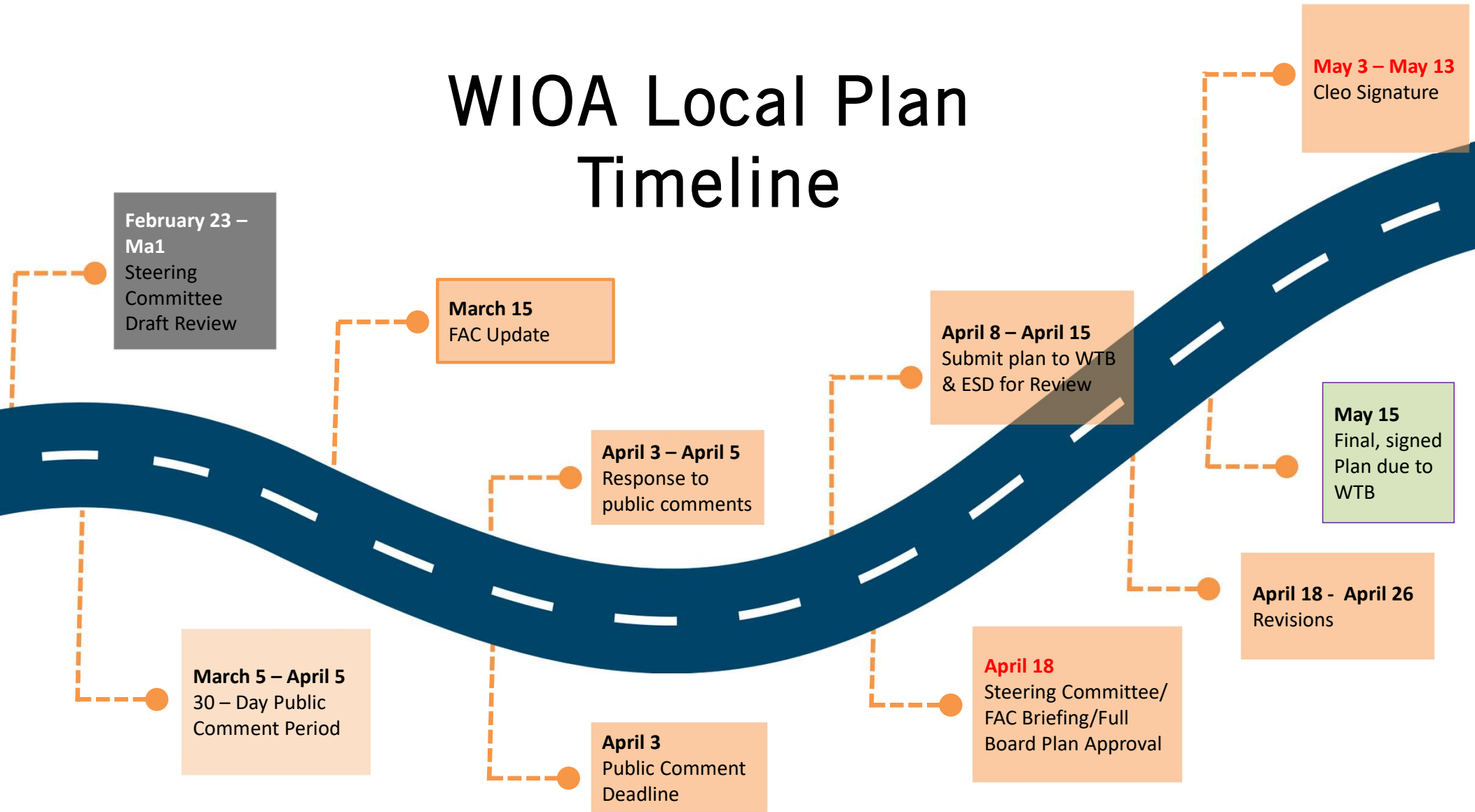
- Community
- Employers
- Labor
- Training
- Workforce system partners
- Community Partners (WFD Providers)



Setting The Stage For Regional Strategic Planning

- Identify key/new stakeholders
- Key issues
- Understanding the landscape

WIOA Local Plan Timeline



RECOVER
BETTER
NEXT STOP
2024-2028
A REGIONAL PLAN FOR
EQUITY & ECONOMIC
RECOVERY

JANUARY 2021

The Road Ahead:

WIOA Local Plan

Regional Plan Refresh

- Finalize WIOA Local Plan
- FAC recommends the updated WIOA Local Plan for full board approval
- The full board approves the updated WIOA Local Plan
- Submission of the finalized updated WIOA Local Plan to WTB and ESD

GRANTS UPDATE

Grant Updates



August
2023

WA State Dept. of Commerce:
Digital Navigator
Comcast: Digital Navigator. *Awarded*
USDOL & DOJ: PROWD. *Awarded*.



January
2024

Families & Workers
Fund: Infrastructure
Careers.



Lookahead
2024

US Conference
of Mayors:
Digital Equity
Grants



City of Seattle,
OED: General Operating.
Received.

December
2023



King County
General Operating.
Received.

Bank of America: Youth Focus
National Fund: Childcare Job
Quality

February
2024



USDOL: Job Quality
WA Dept. Commerce
Digital Equity grants
NTIA: Digital Equity
Competitive Grants
Comcast: Digital Equity

Grants & Funding: PY23 Grant Report

FUNDER	PROJECT	AWARDED	PERIOD
NFWS	Human Centered Design Common Intake Form	\$ 200,000	8/23-7/24
Comcast	Digital Equity: Expand digital navigation services at WorkSource Centers	\$ 60,000	9/23-9/24
DOL/DOJ	Partners for Reentry Opportunities in Workforce Development Co-Applicant with ESD	\$6,000,000	Four Years
ESD/Commerce	Community Reinvestment Fund: EcSA Career Accelerator Incentives and EcSA Business Support	\$3,550,427	11/23-5/25
City	Funding for Backbone Organization	\$250,000	12/23-12/24
NSC	WA SkillSPAN: Coalition Building & support WDC's policy work.	\$25,000	1/24-12/24
County	Funding for Backbone Organization	\$250,000	2/24-12/24
		TOTAL AWARDED	\$10,335,427
PENDING			
FUNDER	PROJECT/PARTNERS	REQUESTED	SUBMITTED
Bank of America	Reconnecting Opportunity Youth to Education and Employment	\$150,000	2/2024
SUBMITTED NOT AWARDED			
Families & Workers Fund	Climate and Infrastructure Careers Coalition Building and Expanded Supportive Services – Partners: C3, Filipino Community of Seattle & United Indians of All Tribes.	\$1,500,000	1/2024
National Fund Workforce Solutions	Job Quality in the Childcare Sector. Funding goals: retain a consultant to help lead employer engagement in collaboration with King County's Wage Boot Demonstration Project.	\$200,000	2/2024



ADJOURN

Thank you

The next Full board Meeting is on April 4th.