

*workforce***CONNECTIONS**
Budget & Finance Committee
Wednesday, June 6, 2012
10:00AM – 11:30AM
7251 W. Lake Mead Blvd., Suite 200
Las Vegas, NV 89128

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City of North Las Vegas, 2200 Civic Center Dr., North Las Vegas, NV
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Clark County, County Clerk's Office 500 S. Grand Central Parkway, Las Vegas, NV
Esmeralda County Courthouse, 233 Crook Street, Goldfield, NV
Henderson City Hall, 240 Water Street, Henderson, NV
City Hall, Boulder City, 401 California Ave., Boulder City, NV
*workforce***CONNECTIONS**, 7251 W. Lake Mead Blvd., Suite 200, Las Vegas, NV
Nevada JobConnect, 3405 S. Maryland Pkwy., Las Vegas, NV
Lincoln County 181 Main Street Courthouse, Pioche, NV
Nye County School District, 484 S. West St., Pahrump, NV
Pahrump Chamber of Commerce, 1302 S. Highway 160, Pahrump, NV

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COMMENTARY BY THE GENERAL PUBLIC

This Board complies with Nevada's Open Meeting Law, by taking Public Comment at the beginning of the meeting immediately after the Board approves the Agenda and before any other action is taken, and again before the adjournment of the meeting. The Board also has discretion to take Public Comment after any item on the agenda, after the item has been discussed by the Board, but before the Board takes action on the item.

Each person participating in Public Comment will be limited to three minutes of comment. If any member of the Board wishes to extend the length of a comment, then the Board member may do so through a majority vote of the Board.

The Board chair has the right to end any Public Comment which: (1) is not related to any matter within the authority of the Board; or (2) is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational, making personal attacks, or interfering with the rights of other speakers. ***Members of the public: please comply with the requests of the Board chair and do not be disruptive, otherwise you may be removed.***

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NOTE: MATTERS IN THIS AGENDA MAY BE TAKEN OUT OF ORDER.

Budget & Finance Committee Members: Councilwoman Gerri Schroder, Chair; Hannah Brown, Vice-Chair; Bill Bruninga; Alex Garza; Dan Gouker; and Vida Chan Lin

All items listed on this Agenda are for action by the Budget & Finance Committee unless otherwise noted. Action may consist of any of the following: approve, deny, condition, hold or table. Public Hearings may be declared open by the Chairperson, as required for any of the items on this Agenda designated for discussion or possible action or to provide direction and recommendations to workforceCONNECTIONS.

AGENDA

1. Call to order, confirmation of posting and roll call.
2. **DISCUSSION and POSSIBLE ACTION:** Approve the agenda with inclusions of any emergency items and deletion of any items.
3. **FIRST PUBLIC COMMENT SESSION:** Members of the public may now comment on any matter posted on this Agenda, which is before this Board for consideration and action today. Please clearly state and spell your name and your address for the record. Each public comment will be limited to three (3) minutes.
4. **DISCUSSION and POSSIBLE ACTION:** Approval of the Budget & Finance Committee meeting minutes of May 2, 2012.....1
5. **DISCUSSION and POSSIBLE ACTION:** PY2011 Revised WIA Budget and PY2011 WIA Budget Narrative11
6. **DISCUSSION and POSSIBLE ACTION:** PY2012 Revised WIA Budget and PY2012 WIA Budget Narrative.....17
7. **REVIEW, DISCUSS and ACCEPT REPORTS:**
 - a. Budget vs. Actual Finance Report (Workforce Connections’ Operations) for the period July 1, 2011 through June 30, 2012 (Formula WIA).....24
 - b. PY2011 Awards & Expenditures – Monthly Update.....25
 - c. Adult/Dislocated Worker & Youth Funding Plans.....28
 - d. Audit Findings for Program Year 2010 (Year Ended June 30, 2011) -- June 2012 Report.....30
8. **SECOND PUBLIC COMMENT SESSION:** Members of the public may now comment on any matter or topic, which is relevant to or within the authority or jurisdiction of the Board. You may comment now even if you commented earlier, however, please do not simply repeat the same comment you previously made. Please clearly state and spell your name and your address for the record. Each comment will be limited to three (3) minutes.
9. Adjournment

*workforce*CONNECTIONS
BUDGET & FINANCE COMMITTEE
MINUTES

Wednesday, May 2, 2012
7251 W. Lake Mead Blvd., Suite 200 Conference Room
Las Vegas, NV 89128

Members Present

Councilwoman Gerri Schroder, Chair
Hannah Brown, Vice-Chair
Bill Bruninga (via telephone)
Alex Garza
Dan Gouker
Vida Chan Lin

Members Absent

Staff Present

Madelin Arazoza
Heather DeSart
Ardell Galbreth
James Kostecki
Melodye Stok
Dianne Tracy
Carol Turner

Others Present

Rhonda Dunaway, City of Henderson
Martha Ford, PBTk
Jan Fullmer, City of North Las Vegas
Dustin Lewis, L.L. Bradford & Company
Linda Montgomery, The Learning Center
Nield Montgomery, The Learning Center
Bill Pallen, BDO USA, LLP
Katina Peters, Tompkins & Peters CPA
Ralph Piercy, PBTk
Phil Stoeckinger, City of Las Vegas
Tracey Torrence, SNRHA
Tom Wilson, Clark County (via telecom)

(It should be noted that not all attendees may be listed above).

Agenda Item 1 - Call to order, confirmation of posting, and roll call.

The meeting was called to order at 10:05 a.m. Staff confirmed the meeting had been properly noted and posted in accordance with the Nevada Open Meeting Law.

Agenda Item 2 - Approval of Agenda with the inclusion of any Emergency Item and deletion of any Items.

A motion to approve the agenda as presented was made by Hannah Brown and seconded by Alex Garza. Motion carried.

Agenda Item 3 - FIRST PUBLIC COMMENT SESSION: Members of the public may now comment on any matter posted on this Agenda, which is before this board for consideration and action today. Please clearly state and spell your name and state your address for the record. Each public comment will be limited to three (3) minutes.

None

Agenda Item 4 - Approval of the Budget & Finance Committee meeting minutes of April 18, 2012.

A motion to approve the meeting minutes of April 18, 2012 as presented was made by Hannah Brown and seconded by Bill Bruninga. Motion carried.

Agenda Item 5 - REVIEW and DISCUSS: Published Auditing Requests for Proposals (RFPs) and PBTk Letter of Engagement.

Ardell presented the published Request for Proposals (RFPs) OMB A-133 Auditing Services dated February 21, 2012, the A-133 Auditing Services dated June 22, 2011; and, PBTk Letter of Engagement (page 33 of the agenda packet) with the expectation and scope of work that is currently in effect. Discussion ensued regarding the differences in the two RFPs.

Dan Gouker queried the Letter of Engagement as to a 2-year commitment versus a 1-year commitment and further read into the record Attachment A, Details of Scope and Limitations of Services under Other Terms:

“Term of agreement: Subject to a new letter of engagement, it is agreed that this agreement may be considered for renewal annually for subsequent years, under substantially the same terms unless and until terminated by either party for any reason or amended in writing, for example, the changes in fee arrangements or other clarification or modification of terms. Nevertheless, our engagement will be considered complete each year following the rendering of all reports and communications agreed to on an annual basis...”

Discussion ensued regarding:

- Letter of Engagement is a 1-year commitment unless it requires an extension and an RFP is 2-years and not a contractual obligation.
- PBTk Letter of Engagement dated September 15, 2011 for the year ended June 30, 2011 and now into 2012. Audit year for this letter ended June 30, 2011. WC staff has not officially notified PBTk of the intent to disengage. WC is required to have an audit every year with an auditing firm on-board to conduct the audit under OMB A-133 guidelines; the purpose for the issuance of an RFP.
- If the Audit was complete in January and this is May, has there been a need for PBTk since that time? WC had DETR auditors in-house with a question regarding a payroll issue that PBTk addressed through services rendered and WC billed on an hourly basis. Since the conclusion of the audit, an additional \$1,100.00 billed for time in large.
- How much WC paid PBTk last year. The current years audit through June 30, 2011 -- \$146,863; for interim services between the 2-year auditing \$120,700; and the prior years' audit \$129,000 (June 30, 2010) for a total of \$396,532.
- Two Functions: Audit and Consultant.
- Flat rate fee and extra services rendered i.e., communications and travel.

Agenda Item 6 - DISCUSSION and POSSIBLE ACTION: Approval recommendation of OMB A-133 Auditing Services to L.L. Bradford & Company in an Amount not to Exceed \$65,000.

Ardell presented a list of the firms that submitted proposals to the Request for Proposal for the Office of Management and Budget (OMB) A-133 Auditing Services. Ardell further stated that the evaluation team was comprised of two WC staff members, one team member from City of North Las Vegas, and one team member from Clark County. The A-133 Audit Services RFP

Review and Evaluation attached on page two of the Summary of Proposals Scoring with the recommendation based on merit of the six respondents to the RFP. Based on the proposals reviewed and awarded points, the audit services review committee recommends L.L. Bradford & Company awarded an audit services contract in support of Workforce Connections in an amount not to exceed \$65,000. Ardell further stated that any one of the six respondents is capable of delivering the audit services as requested in the RFP. Notwithstanding the ranking by the reviewers and the recommendation presented, the Budget & Finance Committee can review the representatives present to make a final determination and recommendation to the Board.

Discussion ensued regarding the process by which the evaluation committee handled the six respondents beginning on April 2, 2012 and the review under the criteria presented on page 2 of the Audit Services Review Committee Summary of Proposal Scoring packet. Dan Gouker regarding two WC staff members serving on the evaluation committee noted a concern by the Board and an email that he had received (not included in these minutes). Ardell addressed this concern stating that it is routine, typical, and no improprieties by staff members on the evaluation committee. Further discussion ensued regarding Section V - Proposed Fees & Compensation Process on page 9 of the Notice: Request for Proposals Office of Management and Budget (OMB) A-133 Auditing Services.

Jan Fullmer, Accounting Manager, City of North Las Vegas an evaluator for the RFP review, addressed his approach for the selection process based on the three criteria: 1) Proposer's Executive Summary; 2) Qualifications and Experience of Firm and Applicable staff; and, 3) Proposer's Fee the scoring based on a 0 to 5 basis and a computation for the weighted score.

Councilwoman Schroder then asked that each representative from the responding firms approach and state their names then welcomed them for attending the meeting.

Question: *You currently have 40 professional staff employed; you perform audits of several governmental and non-profit organizations; and, what organizations have you conducted audits?* Dustin Lewis, L.L. Bradford & Company. Mr. Lewis states, "In the non-profit industry, several single audits and other non-profits not subject to single audit. Currently audit Nevada Partners, Inc., the Culinary Academy of Las Vegas, Las Vegas Urban League, and Las Vegas Rescue Mission."

Councilwoman Schroder queried if there was any legal representation available as WC currently funds Nevada Partners, Inc. and the Culinary Academy would that be a conflict of interest. Ardell stated that in accordance with OMB A-133 any agency we contract that expends over \$500,000 are required to be audited, that is part of Nevada Partners, Inc.' contract they are expected to be audited, and we reimburse Nevada Partners, Inc. for the cost of the audit. To clarify further, Mr. Lewis stated that as Auditors they are required to maintain an independence from the entities they report audits on and do not get involved in management decisions or transactions.

Question: *With the audit process there is a difference between profit and non-profit, do you handle Federal reporting requirements under WIA?* Mr. Lewis states, "Governmental agencies have been Charter Schools, Nevada Partners, Inc., Las Vegas Urban League, and Foundation for an Independent Tomorrow under governmental auditing standards."

Question: *You will charge a Flat Fee with no extra charges.* Mr. Lewis states, "Yes, and that's the way we do business we give you a fee, in this case, not to exceed \$65,000 unless we encounter an extraordinary issue or is asked to go beyond that, I will not charge those fees prior to getting approval from the company or the entity. So before any fees are incurred you will know about them before they ever happen, which is fair."

Councilwoman Schroder abstained from questions posed to Tompkins & Peters CPAs, P.C. based on a Conflict of Interest. The Vice-Chair conducted the questioning for this respondent.

Question: *With the audit process there is a difference between profit and non-profit, do you handle Federal reporting requirements under WIA?* Katina Peters, Tompkins & Peters CPA. Katina Peters states, "Yes we have experience with WIA monies and very specifically with Workforce as we have been auditors in the past going back to 2005/2006 so we are familiar specifically with your entity, the funding, and the requirements. We also do other audits in the Federal arena with WIA monies, but specifically to this entity and your requirements."

Councilwoman Gerri Schroder, Chair resumed her duties at this time to continue the agenda.

Question: *With the audit process there is a difference between profit and non-profit, do you handle Federal reporting requirements under WIA?* Bill Pallen, Managing Partner, BDO USA, LLP, Las Vegas. Mr. Pallen states, "We do audit other government entities here in Las Vegas from our Las Vegas office also nationwide we audit other governmental agencies, including cities and quasi-governmental tribal entities. We have a national quality center and it is one of the top industries that we focus nationally for our firm."

Question: *Specifically Workforce Investment Act has some real stringent guidelines are you familiar with work in that venue?* Mr. Pallen states, "Myself, not specifically, not specifically with other entities here in Las Vegas, but nationally we do have people that have worked with those types of funding arrangements. We are the fifth largest accounting firm in the world. We have over 40 offices across the nation, our firm headquartered in Chicago, our national office is in Chicago, but we have governmental practices throughout the country. Our governmental quality center is in Washington, D.C. area and can certainly bring in any resources necessary to the organization. I can't imagine that there would be something we have not dealt with through another client within the firm. There are twenty-eight personnel in the local office. The audit team would be a local team also supplemented from national experts."

No representative(s) present from Houldsworth Russo & Co., P.C.

No representative(s) represent from Haynie & Company.

Ralph Piercy, Piercy, Bowler, Taylor & Kern. Ralph Piercy stated, "I can tell that there's still a lot of confusion as to what's gone on with our services and what the proposals are and maybe I can simplify a couple of points. First of all, as you know we have experience with all the things that effect this organization and so we are qualified to be your auditors, but I would just like to make two points. There was a competitive bidding process for the years ending June 30, 2011 and June 30, 2010. Through that competitive bidding, and proposal, and in that RFP there was the opportunity for two additional award years beyond 2012. Our point to #1 is that we, through a competitive bidding process were awarded a 2-year award. Our engagement letter, which is common practice, like any other firm for one of the periods within the award period, is

specific to one of those years within the award period and so it effectively ends. And then another engagement letter is issued for the second award period. So that is one of the points that we want to make is that, we were awarded 2 years and without being dismissed for some reason, you all went out to bid again. Point #2, we have not billed the organization \$1 dollar more than what our engagement letter or RFP said that we would charge the organization. Going back to 2007, our first two years involved with the organization, we had a flat bid. The organization lost its entire accounting staff and since that time, has only hired a credentialed accountant in February of this year. Since 2007 to 2012, the organization has not had a lot of resources in the accounting department. An audit, partnership is not the right word, but there are things that we do and things that the client does and over that period of time, the client has not really been able to hold up its end of what a normal agreement would be. So after the first two years of our engagement, where we quoted a flat fee and then because of all the issues that arose, went back to the organization and got increases to the fee. In the third year of our association, we decided it wasn't practical to continue to give those charged with governance an estimate or a low fee, if you will, of what we think it would cost because historically the association hasn't been able to uphold its side of the equation. Beginning three years ago, we began quoting a fee range and we have never billed you outside of that fee range. Our fees, the actual time that we have devoted to the engagement at standard rates is substantially more than we billed you. But, again, we support the competitive bidding process we think we have a contract that is in place, to rule otherwise and without being dismissed for some reason would break tradition with what any other governmental entity that I am familiar has done because they all have multi-year contracts or most have multi-year contracts. We appreciate the opportunity to be here, we encourage your participation in the audit process because you can help us make it better."

Dan queried the first year. Mr. Piercy responded he believed it was a 3-year (2007, 2008 and 2009) then turned discussion over to Martha Ford, the Engagement PBTK Principal.

"Ms. Ford stated the original RFP was for 2007 with 2 years extension which we were granted. In 2010, the organization received significant ARRA funding which greatly complicated the operation and management decided it, I believe, with a conversation with the Committee to extend the contract to 2010. In 2011, we bid for 2011 and 2012, the multi-year bid and performed services for 2011."

Dan queried that this is a 6-year contract: 2007, 2008, 2009, 2010, 2011 and 2012.

"Ms. Ford stated 5 years as 2012 has not yet occurred."

Dan further stated that some of the concerns are not only Mr. Piercy's comments, but the multi-page email letter (not included in these minutes) that we received. The track record of Workforce Connections is such that you (PBTK) feel that the range is necessary because of lack of being able to produce proper documentation, proper software, etc., is that the gist of the range without getting into all of the details? So my questions would be as we are about to proceed with the audit for 2012, are we to believe than that the previous five audits those corrections have not been made, they are not straightened up, we are still having skeletons come up out of the drawers? I guess my concern would be, you have had the bookkeeping for five years and you are still expecting problems. It goes a little bit beyond just who happens to be on the staff on board here, I understand that that is a huge part of it and I certainly understand the requirement for ARRA funds needing a heavier commitment from your firm for

the auditing, the dialog is not matching the years here. If you could not get it fixed in five years what makes you think it can be done in six, seven or eight? I do not agree with this multi-year contract. It clearly states in here that the agreement can be terminated by either party for any reason, so resting on your laurels that we did an RFP so you automatically get it I'm not buying that."

"Ms. Ford stated that first of all an audit firm is not management. We do not do the bookkeeping. We have reported, from the first year that we have audited several findings related to lack of effective policies and procedures over transactional data and the lack of qualified accounting staff from day one. We have reported that to the Board every year as a material weakness. In the beginning, it is my understanding that it was managements' decision to deliberately keep the accounting staff small and to keep it as a non-qualified accountant. The person that was doing the accounting though, I believe 2010, was not an accountant. When he was promoted, they hired another person to take that position who was again, not an accountant. The first qualified accountant, the first accountant they have had on staff with government experience was hired in February 2012 this year. It is difficult to fix findings of the nature that we have reported to the Board and to this Committee every year without qualified accounting staff. If the accounting has been corrected, if it is reconciled correctly, the audit fee should be in the bottom end of the audit range. But to come in and assume that everything is corrected and everything is going to be finished when the first accountant was only hired a couple months ago, for us to quote you a flat low fee of \$50,000 - \$60,000 would be very misleading because it takes time to fix findings of the nature that has been reported every year."

Hannah stated that it was the understanding of the Committee that the findings over the years have been corrected, are we receiving incorrect information? The reports that we are getting indicate that most of the findings that have been recurring over the years are now pretty much corrected.

"Ms. Ford stated I cannot speak to these being corrected at this point. When we completed the audit in February 2012 prior to the hiring of the qualified accountant, they had not been fully corrected. There had been significant progress made towards the correction, but they were not corrected as of that date for the financials type findings. Some of the compliance findings had been completed and corrected, but the main financial statement related findings as of the completion of the audit had not been finished and no information past that date says that they have or have not other than I know that they have hired a qualified accountant."

Ardell stated for the record that we have worked with Piercy, Bowler, Taylor & Kern for a number of years; they have been responsive to our requests. Staff has no issues with PBTK. My objective as the Interim Executive Director is to look out for what is best for this agency, and of course, cost is one of my primary concerns.

Discussion was open to the floor regarding the recommendation.

Hannah stated she was leaning towards L.L. Bradford & Company.

Alex Garza stated if price only, and if Tompkins & Peters CPAs, P.C. has performed services in the past do we know the quality of work in 2005. From Mr. Piercy's statement, from a legality standpoint, can we even vote on replacing them if we have not issued them written notice that WC is going to choose another company?

Ardell responded to the first question regarding Tompkins & Peters CPAs, P.C. they did perform audit services at the Board and they did excellent work. The second question regarding the RFP and the Letter of Engagement, based on counsel from our legal consultant the Letter of Engagement should serve as a contract because the RFP in itself does not establish any contractual commitments.

Councilwoman Schroder stated that we are not going to approve a respondent; we are going to recommend a firm to the Board based on our review.

Jim KostECKI responded that the review was based on the same criteria for all six respondents and the basis for the ranking.

Dan stated that many of the issues that have cropped up over the financial issues he sympathized with PBTK. One of the concerns by the Board was in staff reviewing RFPs. Clarity reveals that the Reviewers: Jim KostECKI, who was not involved with the audits during the last five years; Jan Fullmer and Tom Wilson representing the jurisdictions; and, Carol Turner who has been a consultant since August 2011. The Audit Services Review was not based on the cost of the audit and was not the determining factor that deems the ranking appropriate.

A recommendation was made to offer the Auditing Services to L.L. Bradford & Company for the current year with a follow up letter to PBTK according to the terms that states, "...until terminated by either party for any reason..." by Dan Gouker and seconded by Bill Bruninga. A vote taken: Four votes For; One vote Against; and, One Abstention. Motion carried.

Councilwoman Schroder thanked all the respondents for attending the Budget & Finance Committee meeting, their answers, stating they all work with best practices and thanked PBTK for their hard work and diligence through the past audits. Councilwoman Schroder stated that this is a recommendation to the Board and asked that all respondents attend the next regularly scheduled Board meeting.

Agenda Item 7 - DISCUSSION and POSSIBLE ACTION: PY2012 WIA Formula Budget July 1, 2012 through June 30, 2013 and PY2012 WIA Formula Budget Narrative.

Carol Turner presented the PY2012 WIA Formula Budget July 1, 2012 through June 30, 2013 and PY2012 WIA Formula Budget Narrative on page 6 - 12 of the agenda packet, brought back to the Committee when tentatively approved in mid-April without the Narrative. Carol stated this is a tentative budget with estimates until actual funding is received from the State level. The narrative has been brought back to provide additional information on the calculations for budget cuts based on historical data what costs can be and should be on a reduced workforce. Contracts are revisited i.e., Xerox machines 2 out of 4 coming off contract in September, reduced staffing levels.

Ardell stated that there is a reduction to 10% programmatic, equipment and supplies reduced, a hiring freeze, a reduction in force with only essential staff continuing for effective operations, a reduction in media coverage [radio station], and office space is being revisited with the lease agreement that expires in September of 2013.

Discussion ensued regarding the narrative beginning with page 8 through 12 of the agenda packet noting the following:

Item 6100 – Audit/Accounting Services

Requesting Audit, Accounting Services, and Professional Services be separated.

Item 6200 – Janitorial and Maintenance

Requesting janitorial and the SESP Green Training Vehicle grant funds are separated.

Item 6285 – Board Support and Travel

Requested that communication is available for any potential valued conference or session Board members could benefit.

Item 6290 – Facility Rent/Lease

Discussion ensued regarding workforce investment Board and staff will not have in-house functions unless there are three criteria: Waiver from the Local Elected Officials Board in concert with the Governor; Verification that there are no other service providers in the geographic area; and ensure a need. Noted that 4 months remain (with closing costs on office space) on the Lease for the Desert Inn Re-Entry Office through a Department of Justice grant that runs through September 30, 2012.

Ardell stated there is a lease agreement for one year ending October 2012, there is a waiver received by the Governor that has expired, and a published RFP to contract the Re-Entry Program that will end June 30, 2012 for delivery of services through a Service Provider. Ardell further stated that the Service Provider selected would be responsible for paying the lease; however, if WC has paid for the remaining 4 months of the lease WC will not reimburse the Service Provider for the occupancy cost of the facility.

Dan stated that the waiver is currently expired and it is unknown if the Service Provider serving participants even wants the building which would be a potential increase for a program we [WC] do not have a waiver to operate in-house. Dan stated for the record that at the last Board meeting, there was 6.38 FTEs reported at \$293,000 in wages and that is an issue. Heather responded there are employees through the direct grant with Department of Justice. Heather further stated for the record that the Re-Entry Program is still running. The program is not shutdown, nor is there a vacant office, and business is being conducted. They [the Re-Entry Program] have ceased enrollments of participants, which is common practice when a program is going to sunset. Job search activities, on the job training, support of services are provided.

Item 6305 – Program Support Contracts

Is staff compensating for the program contracts that will be lost? Ardell responded as contracts expire they will not be renewed or may be reduced.

Item 6306 – Admin Support Contracts

Carol stated that WC bid out for a temporary staffing agency contract with the one having the least amount of overhead chosen, some of the employees for NV Trac probably through year-end, and some of the direct grants we do have temporary employees whereby we do not need to put them on our payroll system and incur the costs. Dan requested copies of the actual contracts for review, and a specific breakdown for those contracts such as the Temporary Staffing Agency and its specific components that make up the incurred costs.

Councilwoman Schroder noted that in the body of the narrative description it should reflect increase not decrease.

Item 6310 - Travel (Staff)

Noted this line item could be reviewed and potentially decreased nearing the end of the fiscal year. Carol responded that most of this is local mileage for the program staff to monitor the Service Providers.

Item 6700 & Item 6720 - Youth Program Activities & Adult/DW Program Activities

Are these outreach-associated activities? Carol responded that these are specifically departmental charges for Youth only or Adult/DW only expenses.

A motion was made to approve the PY2012 WIA Formula Budget July 1, 2012 - June 30, 2013 and Narrative with changes by Dan Gouker and seconded by Hannah Brown. Motion carried.

Hannah Brown, Vice-Chair in the absence of Councilwoman Gerri Schroder, Chair, conducted the remainder of the meeting.

Agenda Item 8 - REVIEW, DISCUSS and ACCEPT REPORTS:

- a. Budget vs. Actual Finance Report (Workforce Connections' Operations) for the period July 1, 2011 through June 30, 2012 (Formula WIA).

Jim Kostecki reported the Audit/Accounting Services in yellow at 80.06% due to the final payment on the Audit with 3 months budget left with no anticipated problems.

- b. PY2011 Awards & Expenditures for Adult/Dislocated Worker Program as of April 25, 2012 Monthly Update.

Jim presented and summarized the PY2011 Awards and Expenditures for Adult & Dislocated Workers and Youth as of April 25, 2012 on page 14 - 16 of the agenda packet.

| | Adult Expenditures | DW Expenditures | % Spent |
|---|---------------------------|----------------------------|----------------|
| WIA PY11 Adult & Dislocated Worker Green Sector | 56% | 44% | 51.34% |
| WIA PY11 Adult & Dislocated Worker Health Sector | 66% | 34% | 39.48% |
| WIA PY11 Adult & Dislocated Worker Rural Services | 57% | 43% | 53.68% |
| WIA PY11 Internal Programs | 100% | 0% | 47.57% |
| WIA PY11 Internal Programs and To Be Allocated | 0% | 0% | 0% |
| Total PY11 Adult & Dislocated Worker | 63% | 37% | 32.38% |
| | Youth In-School | Youth Out-Of-School | % Spent |
| WIA PY11 Youth General | 49% | 51% | 17.97% |
| WIA PY11 Youth Tri County | 43% | 57% | 24.15% |
| WIA PY11 Internal Programs | 100% | 0% | 59.67% |
| WIA PY11 Internal Programs and To Be Allocated | 0% | 0% | 0% |
| Total PY11 Youth | 62% | 38% | 17.54% |
| | | | |
| Direct Grants | | | % Spent |
| WIA PY10/PY11 Governor's Reserve Youth | | | 95.92% |
| WIA PY10 Internal Programs Ongoing | | | 86.27% |
| Direct Adult & Dislocated Worker Grants | | | 52.82% |

Jim provided an update on percentage spent through March invoicing for the following calculated beyond the date of the printing of this Agenda:

| WIAPY11 Adult and Dislocated Worker Green Sector | % Spent |
|---|----------------|
| Bridge Counseling Associates | 59.47% |
| Latin Chamber Foundation | 64.62% |
| WIA PY11 Adult and Dislocated Worker Health Sector | |
| CCSD - Desert Rose | 34.59% |
| Heather DeSart noted CCSD-Desert Rose is not taking in new clients. WC staff is working very closely and expenditure rate has increased. CCSD-Desert Rose is almost at their contracted enrollment number -- not a big deficit about 11 short of contracted number. | |
| Latin Chamber Foundation | 54.48% |
| Nevada Hospital Association | 17.47% |
| So. NV Regional Housing Authority | 52.37% |
| WIA PY11 Youth General | |
| CCSD - Desert Rose | 33.08% |
| So. NV Children First | 43.07% |
| WIA PY11 Youth Tri-County | |
| Lincoln County School District (Tri-County) | |
| Update not available as they submitted March invoicing on May 1, 2012 | |
| WIA PY11 To be Allocated Amount | |
| Alex Garza queried for clarification the Latin Chamber - Green Consortium was moved to WIA PY11 Youth General noting the Contract Award of \$500,000 is \$248,160 have they spent half their Award as indicated on the report. Carol Turner noted a correction would be made. | |

- c. Audit Findings for Program Year 2010 (Year Ended June 30, 2011) Monthly Status Report May 2012.

Ardell reported the Audit Findings updates on the page 17-18 of the agenda packet.

- d. Financial Edge (FE) System Implementation Monthly Status Report May 2012.

Carol reported on the FE System that reconciliations from July through December 2011 have been implemented on transactions from QuickBooks to the FE system. Staff did experience an issue this last week where the financial reporting was not occurring; communication with Blackbaud for resolution was initiated; able to cut checks and enter transactions; and, working towards an ending date of June 30, 2012 to end the fiscal year.

Agenda Item 9 - DISCUSSION: Rescheduling of the Budget & Finance Committee meeting of July 11, 2012.

Due to a conflict in scheduling, the meeting scheduled for July 11, 2012 required a change in date. Discussion ensued and it was the pleasure of the Committee to move the meeting for the Budget & Finance Committee to Tuesday, July 10, 2012 at 10:00a.m.

Agenda Item 10 - SECOND PUBLIC COMMENT SESSION: Members of the public may now comment on any matter or topic, which is relevant to or within the authority or jurisdiction of the Board. You may comment now even if you commented earlier; however, please do not simply repeat the same comment you previously made. Please clearly state and spell your name and state address for the record. Each comment will be limited to three (3) minutes.

None

Agenda Item 11 - Adjournment: The meeting adjourned at 12:15p.m.

workforceCONNECTIONS
PY2011 WIA Formula Budget
July 1, 2011 - June 30, 2012
(Revised June 1, 2012)

| Revenue by Funding Stream | Approved | Revised | \$ Change | Available for LWIB Operations | | Service Providers | TOTAL |
|---|----------------------|----------------------|-------------|-------------------------------|---------------------|----------------------|----------------------|
| | Budget PY2011 | Budget PY2011 | | 10% Admin | 16% Program | | |
| PY2011 Adult | 5,730,641 | 7,230,641 | 1,500,000 | 723,064 | 1,156,903 | 5,350,674 | 7,230,641 |
| PY2011 Dislocated Worker | 6,709,227 | 5,209,227 | (1,500,000) | 520,923 | 833,476 | 3,854,828 | 5,209,227 |
| PY2011 Youth | 5,760,743 | 5,760,743 | - | 576,074 | 921,719 | 4,262,950 | 5,760,743 |
| PY2010 Adult Budget Carry Forward | 2,433,862 | 2,433,862 | - | 243,386 | 389,418 | 1,801,058 | 2,433,862 |
| PY2010 Dislocated Worker Budget Carry Forward | 443,620 | 443,620 | - | 44,362 | 70,979 | 328,279 | 443,620 |
| PY2010 Youth Budget Carry Forward | 2,905,927 | 2,905,927 | - | 290,593 | 464,948 | 2,150,386 | 2,905,927 |
| Other Revenues (Interest) | 1,250 | 1,250 | - | - | 1,250 | - | 1,250 |
| Governor's Reserve - Strategic Initiative | 75,000 | 75,000 | - | - | - | 75,000 | 75,000 |
| Total Revenue by Funding Stream | \$ 24,060,270 | \$ 24,060,270 | \$ - | \$ 2,398,402 | \$ 3,838,693 | \$ 17,823,175 | \$ 24,060,270 |
| | | | | | \$ 6,237,095 | | |

Notes:

1. PY2011 Revenues include intertitle transfers in the amount of \$1,500,000 from Dislocated Worker to Adult.
2. PY2011 Revenues include additional DETR funding Adult \$478,408 plus \$69,666 and Dislocated Worker \$694,623 plus \$71,404.
3. Carry forward funds have been estimated for PY2010 in the amount of \$5,783,409. These fund estimates will be revised later this year when the A-133 audit is complete.
4. The Department of Labor allows local boards to expend up to 10% of their total allocation for administrative costs. WC also allocates 16% of the total allocation for program management and oversight.
4. WIA funds have a two year life at the local level and an additional year at the state level.

| Service Providers/Contractors | Approved | Revised | \$ Change | Service Providers | TOTAL |
|--|----------------------|----------------------|------------------|----------------------|----------------------|
| | Budget PY2011 | Budget PY2011 | | | |
| Adult Services | 6,041,733 | 7,151,732 | 1,109,999 | 7,151,732 | 7,151,732 |
| Dislocated Worker Services | 5,293,106 | 4,183,107 | (1,109,999) | 4,183,107 | 4,183,107 |
| Youth Services | 6,413,336 | 6,413,336 | - | 6,413,336 | 6,413,336 |
| Governor's Reserve Initiative | | 75,000 | 75,000 | 75,000 | 75,000 |
| Subtotal Service Provider/Contractors | \$ 17,748,175 | \$ 17,823,175 | \$ 75,000 | \$ 17,823,175 | \$ 17,823,175 |

Administrative and Program Operating Expenditures - Board Staff

| Expense Category | Approved | Revised | \$ Change | Admin | Program | Total | |
|---|-------------------|-------------------|-----------------|-------------------|---------------------|-------------------|-------------------|
| | Budget PY2011 | Budget PY2011 | | | | | |
| 6100 Audit/Accounting Services | 430,000 | 430,000 | - | 430,000 | - | 430,000 | |
| 6120 Bank/Payroll Services | 6,000 | 6,000 | - | 6,000 | - | 6,000 | |
| 6130 Equipment/Furniture | 150,000 | 150,000 | - | 42,000 | 108,000 | 150,000 | |
| 6130-11 NVTrac - Data Tracking System | 160,000 | 180,000 | 20,000 | - | 180,000 | 180,000 | |
| 6140 Equipment Repairs | 2,500 | 2,500 | - | 700 | 1,800 | 2,500 | |
| 6150 Legal Publication/Advertising | 30,000 | 30,000 | - | 8,400 | 21,600 | 30,000 | |
| 6160 Dues & Subscriptions | 12,500 | 12,500 | - | 3,500 | 9,000 | 12,500 | |
| 6170 Equipment Rental | 24,250 | 24,250 | - | 6,790 | 17,460 | 24,250 | |
| 6190 Insurance | 30,000 | 30,000 | - | 8,400 | 21,600 | 30,000 | |
| 6200 Facilities Maintenance | 10,000 | 10,000 | - | 2,800 | 7,200 | 10,000 | |
| 6210 Legal Fees | 50,000 | 50,000 | - | 50,000 | - | 50,000 | |
| 6230 License & Permits | 4,000 | 4,000 | - | 1,120 | 2,880 | 4,000 | |
| 6250 Office Supplies | 25,000 | 25,000 | - | 7,000 | 18,000 | 25,000 | |
| 6260 Salaries | 2,876,500 | 2,876,500 | - | 949,245 | 1,927,255 | 2,876,500 | |
| 6265 Employee Fringe Benefits | 1,006,775 | 1,006,775 | - | 332,236 | 674,539 | 1,006,775 | |
| 6270 Postage & Delivery | 4,000 | 4,000 | - | 1,120 | 2,880 | 4,000 | |
| 6280 Printing & Reproduction | 15,000 | 15,000 | - | 4,200 | 10,800 | 15,000 | |
| 6285 Board Support & Travel | 10,000 | 10,000 | - | - | 10,000 | 10,000 | |
| 6290 Facility Rent/Lease | 333,924 | 333,924 | - | 93,499 | 240,425 | 333,924 | |
| 6300 Telephone | 40,000 | 40,000 | - | 11,200 | 28,800 | 40,000 | |
| 6305 Program Support Contracts | 80,000 | 100,000 | 20,000 | - | 100,000 | 100,000 | |
| 6306 Admin Support Contracts | 80,000 | 80,000 | - | 80,000 | - | 80,000 | |
| 6310 Travel - Staff | 45,000 | 45,000 | - | 12,600 | 32,400 | 45,000 | |
| 6320 Training & Seminars - Staff | 65,000 | 65,000 | - | 18,200 | 46,800 | 65,000 | |
| 6390 Utilities (included in Rent) | - | - | - | - | - | - | |
| 6440 Systems Communications Support | 70,000 | 70,000 | - | 19,600 | 50,400 | 70,000 | |
| 6500 Workforce Development Outreach | 65,000 | 65,000 | - | 18,200 | 46,800 | 65,000 | |
| 6550 Employer Payroll Taxes | 86,294 | 86,294 | - | 28,477 | 57,817 | 86,294 | |
| 6700 Youth Program Activities | 25,000 | 25,000 | - | - | 25,000 | 25,000 | |
| 6720 Adult/DW Program Activities | 25,000 | 25,000 | - | - | 25,000 | 25,000 | |
| 6850 Strategic Initiative - Governor's Reserve | 75,000 | - | (75,000) | - | - | - | |
| 6850 Strategic Initiative - WIA | 275,352 | 235,352 | (40,000) | - | 235,352 | 235,352 | |
| 6850 Strategic Initiative - WIA Budget Reductions | 200,000 | 200,000 | - | - | 200,000 | 200,000 | |
| Subtotal Operating Expenditures | 6,312,095 | 6,237,095 | (75,000) | 2,135,287 | 4,101,808 | 6,237,095 | |
| Total Expenditures | 24,060,270 | 24,060,270 | | 2,135,287 | 4,101,808 | 17,823,175 | 24,060,270 |
| Fund Balance | \$ - | \$ - | | \$ 263,115 | \$ (263,115) | \$ - | \$ - |

NOTE: PY2011 funding period is available July 1, 2011 through June 30, 2013 (after two years, funds revert to the State for one additional year)
PY2010 funding period is available July 1, 2010 through June 30, 2012 (after two years, funds revert to the State for one additional year)

**Workforce Connections
Program Year 2011
WIA Formula Budget Narrative**

Workforce Connections is responsible for providing management and oversight of the Workforce Investment Area's employment and training programs and services. The Board's staff provides direct support to the Workforce Investment Area by carrying out the Board's operations plans. Staff responsibilities include implementing Board policies and establishing techniques and methods to achieve the Board's mission. Staff administers and oversees all internal administrative service provisions, including program administration, management analysis and administration support for the Workforce Investment Board.

Revenues:

Workforce Investment Act (WIA) Program Year PY2011 revised allotted funds were awarded in the amount of \$18,200,611. Intertitle transfers in the amount of \$1,500,000 were processed from the Dislocated Worker to Adult funding stream based on demand. Allocated (revised) among the three funding streams: Adult - \$7,230,641; Dislocated Worker -\$5,209,227; and Youth - \$5,760,743.

Due to Congressional change in states WIA formula allocations, an additional 10% of adult and dislocated worker funds were reallocated for distribution to Local Workforce Investment Areas. As such, Workforce Connections received an additional \$548,074 in the adult category and \$766,027 in the dislocated worker category.

Because of Workforce Connections' exceptional program services delivery, all established performance measures were met or exceeded during PY2010. As such, an incentive award of \$75,000 was allocated to Workforce Connections in recognition of outstanding workforce development services oversight and delivery.

The overall funding for PY2011 was increased by \$1,451,193 (8.7%), compared to the Program Year 2010 WIA allocation which was \$16,749,418.

Other anticipated funding includes operating carry forward funds from Program Year 2010 WIA allocation of approximate \$5,783,409.

Total budgeted revenues for PY2011 are \$24,060,270.

Expenditures – Service Providers/Contractors/Vendors:

On June 28th, 2011, the Board of Directors approved the Adult and Dislocated Worker PY2011 contracts. The approved funding awards were: \$2,475,000 for Green Economy Sector contracts; \$2,475,000 for Healthcare Sector contracts; and \$2,450,000 for incumbent service providers' contracts. The Board of Directors also approved the Youth PY2011 contracts in the amount of \$2,000,000 for Year-Round services and \$250,000 for Youth Tri-County Coalition contracts. On March 27, 2012, an additional \$1,966,662 was approved for Youth contracts for work experiences and in-school support services. On April 24, 2012, \$500,000 was approved for the Youth Healthcare consortium and on May 22, 2012, an additional \$1,000,000 was approved for Youth Summer Component contracts with year-round services.

Administrative and Program Operating Expenditures – Board Staff:

The Department of Labor allows local workforce investment boards to expend up to 10% of their total formula funding allocation for administrative services. For programmatic operations and oversight, over the last four years, the Board of Directors have allocated 16% of the total budget allocation. Such operational and management oversight include but not limited to:

- Providing technical assistance to contracted service providers
- Tracking and monitoring of participating clients and performance outcome
- Program oversight and monitoring of service provider contracts

6100 - Audit/Accounting Services: \$430,000 – This line item includes the cost of the A-133 audit as well as accounting and financial consulting and technical support.

6120 Bank/Payroll Services: \$6,000 – This line item is for various banking services which include wire transfers, ACH payments and payroll service charges.

6130 Equipment/Furniture: \$150,000 – This line item includes the costs for equipment/furniture, e.g., computers, servers, furniture, for administrative and programmatic support staff.

6130-11 NVTrac: \$180,000 – an increase of \$20,000 – This budget line is for contractual and maintenance expenditures related to the completion of the NVTrac data tracking system. This increase will fund additional NVTrac development services for the client portal.

6140 Equipment Repairs: \$2,500 – This line item is for equipment repair or breakdowns.

- 6150 Legal Publication/Advertising: \$30,000** – This line item represents legal publication, i.e., job postings, Request for Proposals, and controlled advertisements.
- 6160 Dues and Subscriptions: \$12,500** – This line item serves to establish memberships in trade and technical associations that benefit Workforce Connections’ outreach and oversight initiatives, and offers valued key contacts for workforce/economic development and technical information support.
- 6170 Equipment Rental: \$24,250** – This line item is allocated for continuing existing leases on copiers and postage meter equipment, and any rental equipment needed in daily operations.
- 6190 Insurance: \$30,000** – Allocated costs for Board liability insurance such as workers’ compensation, general business liability and directors’ and officers’ omission and errors liability. This line also provides insurance for our green training vehicle.
- 6200 Facilities Maintenance: \$10,000** – This line item is allocated for any janitorial services or repairs needed to Workforce Connections’ administration offices. This budget line element also provides funds for repairs to our green training vehicle.
- 6210 Legal Counsel Fees: \$50,000** – This budget allocation is for legal services in areas such as board and official open meetings preparation, i.e., review of agendas and contract agreements, and review of RFPs and policies.
- 6230 License and Permits: \$4,000** – This line item is allocated for software licenses and permits associated with new computers or purchased upgrades for current software.
- 6250 Office Supplies: \$25,000** – This line item is allocated for various office supplies needed for every day operations.
- 6260 - Salaries: \$2,876,500** – Workforce Connections’ staffing of fiscal, adult and dislocated and youth program staff, and contract administration.
- 6265 - Employee Fringe Benefits: \$1,006,775** – Employee benefits include medical, dental and life insurance, as well as other benefits like employer paid Public Employees Retirement System (PERS) contributions. A rate of 35% of the total salaries has typically been used to calculate the fringe benefits.

- 6270 Postage and Delivery: \$4,000** – Postage and mail delivery costs include such activities as routine postage, courier delivery service, and Federal Express delivery.
- 6280 Printing and Reproduction: \$15,000** – Allocated costs for monthly copier per copy charges and other ancillary copying and printing costs associated with Board administration and daily operations.
- 6285 Board Support and Travel: \$15,000** – This allocation includes costs associated with facility costs tied to board and committee meetings and travel to grant activities.
- 6290 Facility Rent/Lease: \$333,924** – Workforce Connections’ office space for operational staff in support of the Board’s administrative and programmatic functions.
- 6300 Telephone: \$40,000** – This budget item is designated for all activities related to telephone services, i.e., local and long distance phone charges and wireless communication.
- 6305 Program Support Contracts: \$100,000** – **an increase of \$20,000** – This line item includes professional agreements and temporary staffing to support program and data support activities. **This line item increase will fund additional web development services as well as a grant writer for the Veterans grant proposal.**
- 6306 Admin Support Contracts: \$80,000** – This item is for administrative support contracts, including professional agreements and temporary staffing with focus on fiscal and personnel management.
- 6310 Travel (Staff): \$45,000** – Local and out-of-town staff travel for grant related matters such as WIA State and USDOL sponsored training and conferences. This line item also covers travel for staff training on an array of programmatic and fiscal activities, as well as local and rural areas site reviews and monitoring visits to ensure compliance with WIA initiatives and work plans.
- 6320 Training and Seminars (Staff): \$65,000** – This item is designated for staff training/seminars for both local and out-of-town locations for fiscal, program and systems management.
- 6390 Utilities: \$0** – This budget line has been reduced to zero because the cost of utilities is included in the monthly lease agreement.

- 6440 Systems Communications Support: \$70,000** – This allocation is to support systems such as data backup, T-1 lines, and web hosting for internal e-mail support.
- 6500 Workforce Development Outreach Initiatives: \$65,000** – This line item represents business/employer outreach initiative to attract businesses and establish partnerships for workforce development and employer services initiatives.
- 6550 - Employer Payroll Taxes: \$86,294** – The employer payroll tax average rate is 3% of the total salaries.
- 6700 Youth Program Activities: \$25,000** – This budget line is for youth program activities outside of daily operations such as service provider trainings and various youth conferences and summits.
- 6720 Adult/DW Program Activities: \$25,000** – This budget line is for adult and dislocated worker program activities outside of daily operations such as service provider trainings and various employability conferences.
- 6850 Strategic Initiatives – Governor’s Reserve: \$0.00 – a decrease of \$75,000** – This item was created to utilize and track strategic projects in support of workforce initiatives with detailed tactics and strategies in response to unanticipated high demand workforce needs. As such, an incentive award of \$75,000 was allocated to Workforce Connections in recognition of outstanding workforce development services oversight and delivery. This line item decrease represents a transfer of funds to service provider programs approved by the Board for the Clark County Summer Business Institute in support of their summer youth program.
- 6850 Strategic Initiatives: \$435,352 – a decrease of \$40,000** -- This item was created to utilize and track strategic projects in support of workforce initiatives with detailed tactics and strategies in response to unanticipated high demand workforce needs. The line item also includes the savings from the reduction in force. This line item decrease is based on additional funds allocated to NVTrac, web development, and grant writing services.

workforceCONNECTIONS
PY2012 WIA Formula Budget
July 1, 2012 - June 30, 2013
(Revised Budget - June 2012)

| Revenue by Funding Stream | Approved Budget PY2012 | Proposed Budget PY2012 | \$ Change | Available for LWIB Operations | | Community Resource Allocations | | TOTAL |
|---|------------------------|------------------------|------------------|-------------------------------|---------------------|--------------------------------|----------------------|-------|
| | | | | 10% Admin | 10% Program | | | |
| PY2012 Adult | 6,285,941 | 6,316,715 | 30,774 | 631,672 | 631,672 | 5,053,371 | 6,316,715 | |
| PY2012 Dislocated Worker | 6,743,443 | 6,847,926 | 104,483 | 684,793 | 684,793 | 5,478,340 | 6,847,926 | |
| PY2012 Youth | 6,316,655 | 6,337,899 | 21,244 | 633,790 | 633,790 | 5,070,319 | 6,337,899 | |
| PY2011 Adult Carry Forward | 1,000,000 | 1,000,000 | - | 100,000 | 100,000 | 800,000 | 1,000,000 | |
| PY2011 Dislocated Worker Carry Forward | 1,000,000 | 1,000,000 | - | 100,000 | 100,000 | 800,000 | 1,000,000 | |
| PY2011 Youth Carry Forward | 3,000,000 | 3,000,000 | - | 300,000 | 300,000 | 2,400,000 | 3,000,000 | |
| Other Revenues (Interest) | 25 | 25 | - | | 25 | - | 25 | |
| Governor's Reserve - Strategic Initiative | 75,000 | | (75,000) | | | - | - | |
| Total Revenue by Funding Stream | \$ 24,421,064 | \$ 24,502,565 | \$ 81,501 | \$ 2,450,255 | \$ 2,450,280 | \$ 19,602,030 | \$ 24,502,565 | |
| | | | | Subtotal Board Operations | \$ 4,900,535 | | | |

Notes:

1. PY2012 Revenues include WIA funding in the total amount of \$19,502,540.
2. Carry forward funds have been estimated for PY2011 in the amount of \$5,000,000. These fund estimates will be revised later this year when the A-133 audit is complete.
3. The Department of Labor allows local boards to expend up to 10% of their total allocation for administrative costs. WC also allocates 10% of the total allocation for program management and oversight.
4. WIA funds have a two year life at the local board level and an additional year at the state level.

| Community Resource Allocations | Approved Budget PY2012 | Proposed Budget PY2012 | \$ Change | | Community Resource Allocations | TOTAL |
|--|------------------------|------------------------|-------------------|--|--------------------------------|----------------------|
| Adult Services | 5,828,753 | 5,853,371 | 24,618 | | 5,853,371 | 5,853,371 |
| Dislocated Worker Services | 6,194,755 | 6,278,340 | 83,585 | | 6,278,340 | 6,278,340 |
| Youth Services | 7,453,323 | 7,470,319 | 16,996 | | 7,470,319 | 7,470,319 |
| | | | | | | - |
| Subtotal Community Resource Allocations | \$ 19,476,831 | \$ 19,602,030 | \$ 125,199 | | \$ 19,602,030 | \$ 19,602,030 |

| Board Operations | Approved Budget PY2012 | Proposed Budget PY2012 | \$ Change | Admin | Program | Total |
|---------------------------------|------------------------|------------------------|-----------|---------------------|---------------------|----------------------|
| Subtotal Operating Expenditures | 4,944,233 | 4,900,535 | (43,698) | 1,847,034 | 3,053,501 | 4,900,535 |
| Total Expenditures | \$ 24,421,064 | \$ 24,502,565 | | \$ 1,847,034 | \$ 3,053,501 | \$ 19,602,030 |
| Fund Balance | \$ - | \$ - | | \$ 603,221 | \$ (603,221) | \$ - |

NOTE: PY2012 funding period is available July 1, 2012 through June 30, 2014 (after two years, funds revert to the State for one additional year)
PY2011 funding period is available July 1, 2011 through June 30, 2013 (after two years, funds revert to the State for one additional year)

workforceCONNECTIONS
PY2012 WIA Formula Budget
July 1, 2012 - June 30, 2013
(Revised Budget - June 2012)

| Board Operations | Approved Budget PY2012 | Proposed Budget PY2012 | \$ Change | Admin | Program | Total |
|--|---------------------------|---------------------------|-----------------|------------------|------------------|------------------|
| 6100 Audit/Accounting Services | 350,000 | 350,000 | - | 350,000 | - | 350,000 |
| 6120 Bank/Payroll Services | 6,000 | 6,000 | - | 6,000 | - | 6,000 |
| 6130 Equipment/Furniture | 75,000 | 75,000 | - | 21,000 | 54,000 | 75,000 |
| 6130-11 NVTrac - Data Tracking System | 100,000 | 100,000 | - | - | 100,000 | 100,000 |
| 6140 Equipment Repairs | 1,500 | 1,500 | - | 420 | 1,080 | 1,500 |
| 6150 Legal Publication/Advertising | 18,000 | 18,000 | - | 5,040 | 12,960 | 18,000 |
| 6160 Dues & Subscriptions | 12,000 | 12,000 | - | 3,360 | 8,640 | 12,000 |
| 6170 Equipment Rental | 15,000 | 15,000 | - | 4,200 | 10,800 | 15,000 |
| 6190 Insurance | 40,000 | 40,000 | - | 11,200 | 28,800 | 40,000 |
| 6200 Facilities Maintenance | 5,000 | 5,000 | - | 1,400 | 3,600 | 5,000 |
| 6210 Legal Fees | 50,000 | 50,000 | - | 50,000 | - | 50,000 |
| 6230 License & Permits | 3,000 | 3,000 | - | 840 | 2,160 | 3,000 |
| 6250 Office Supplies | 15,000 | 15,000 | - | 4,200 | 10,800 | 15,000 |
| 6260 Salaries | 2,413,763 | 2,413,763 | - | 796,542 | 1,617,221 | 2,413,763 |
| 6265 Employee Fringe Benefits | 809,818 | 809,818 | - | 267,240 | 542,578 | 809,818 |
| 6270 Postage & Delivery | 3,000 | 3,000 | - | 840 | 2,160 | 3,000 |
| 6280 Printing & Reproduction | 12,000 | 12,000 | - | 3,360 | 8,640 | 12,000 |
| 6285 Board Support & Travel | 8,000 | 8,000 | - | - | 8,000 | 8,000 |
| 6290 Facility Rent/Lease | 365,348 | 365,348 | - | 102,297 | 263,051 | 365,348 |
| 6300 Telephone | 30,000 | 30,000 | - | 8,400 | 21,600 | 30,000 |
| 6305 Program Support Contracts | 30,000 | 30,000 | - | - | 30,000 | 30,000 |
| 6306 Admin Support Contracts | 145,000 | 145,000 | - | 145,000 | - | 145,000 |
| 6310 Travel - Staff | 40,000 | 30,000 | (10,000) | 8,400 | 21,600 | 30,000 |
| 6320 Training & Seminars - Staff | 40,000 | 40,000 | - | 11,200 | 28,800 | 40,000 |
| 6390 Utilities (included in Rent) | - | - | - | - | - | - |
| 6440 Systems Communications Support | 50,000 | 50,000 | - | 14,000 | 36,000 | 50,000 |
| 6500 Workforce Development Outreach | 30,000 | 30,000 | - | 8,400 | 21,600 | 30,000 |
| 6550 Employer Payroll Taxes | 71,804 | 71,804 | - | 23,695 | 48,109 | 71,804 |
| 6700 Youth Program Activities | 15,000 | 15,000 | - | - | 15,000 | 15,000 |
| 6720 Adult/DW Program Activities | 15,000 | 15,000 | - | - | 15,000 | 15,000 |
| 6850 Strategic Initiative - Governor's Reserve | 75,000 | - | (75,000) | - | - | - |
| 6850 Strategic Initiative - WIA | 100,000 | 141,302 | 41,302 | - | 141,302 | 141,302 |
| Subtotal Board Operations | 4,944,233 | 4,900,535 | (43,698) | 1,847,034 | 3,053,501 | 4,900,535 |

**Workforce Connections
Program Year 2012
WIA Formula Budget Narrative**

Workforce Connections is responsible for providing management and oversight of the Workforce Investment Area's employment and training programs and services. The Board's staff provides direct support to the Workforce Investment Area by carrying out the Board's operations plans. Staff responsibilities include implementing Board policies and establishing techniques and methods to achieve the Board's mission. Staff administers and oversees all internal administrative service provisions, including program administration, management analysis and administration support for the Workforce Investment Board.

Revenues:

Workforce Investment Act (WIA) Program Year PY 2012 allotted funds are in the amount of \$19,502,540 which is allocated among the three funding streams: Adult - \$6,316,715, Dislocated Worker - \$6,847,926, and Youth - \$6,337,899.

Overall funding for PY 2012 was increased by \$1,301,929 (7.15%), compared to the Program Year 2011 WIA allocation which was \$18,200,611.

Other anticipated funding includes operating carry forward funds from Program Year 2011 WIA allocation estimated at \$5,000,000 and interest at \$25.

Total budgeted revenues for PY 2012 are \$24,502,565.

Expenditures – Service Providers/Contractors/Vendors:

On May 22, 2012, the Board approved extension of the Adult and Dislocated Worker PY2011 contracts in the amount of \$9,100,000 and a new PY2012 contract for adult re-entry services in the amount of \$700,000. In May and June 2012, the Board approved Youth PY2012 contracts in the amount of \$2,000,000 for out-of-school, \$1,944,000 for in-school youth programs, and \$300,000 for the youth re-entry program. The Board also approved an extension for Lincoln County's youth program in the amount of \$100,000.

Administrative and Program Operating Expenditures – Board Staff:

The Department of Labor allows local workforce investment boards to expend up to 10% of their total formula funding allocation for administrative services. For programmatic operations and oversight, over the last four years, the board of directors had allocated 16% of the total budget allocation. Effective July 1, 2012, the Board of Directors elected to reduce the programmatic amount to 10%. Such operational and management oversight includes but is not limited to:

- Providing technical assistance to contracted service providers
- Tracking and monitoring of participating clients and performance outcome
- Program oversight and monitoring of service provider contracts

6100 - Audit/Accounting Services: \$350,000 – Allocated costs for the A-133 audit as well as extended accounting, financial consulting, and technical support.

| | |
|---------------------|-----------|
| A-133 Audit | \$175,000 |
| Accounting Services | \$175,000 |

6120 Bank/Payroll Services: \$6,000 – Allocated costs for various banking services which include wire transfers, ACH payments, and payroll services.

6130 Equipment/Furniture: \$75,000 – Allocated costs for equipment and furniture including computers, servers, and furniture for administrative and programmatic support staff.

6130-11 NVTrac: \$100,000 – Allocated costs for contractual expenditures related to the completion and maintenance of the NVTrac data tracking system.

6140 Equipment Repairs: \$1,500 – Allocated costs for equipment repair or breakdowns. This account line also provides funds for repairs to our green training vehicle.

6150 Legal Publication/Advertising: \$18,000 – Allocated costs for legal publications including job postings, Request for Proposals notices, and controlled advertisements.

6160 Dues and Subscriptions: \$12,000 – Allocated costs for memberships in trade and technical associations that benefit Workforce Connections’ outreach and oversight initiatives. They offer valuable key contacts for workforce/economic development and technical information support.

- 6170 Equipment Rental: \$15,000** – Allocated costs for existing leases on copiers and postage meter equipment as well as any rental equipment needed in daily operations.
- 6190 Insurance: \$40,000** – Allocated costs for Board anticipated liability insurance costs for workers’ compensation, general business liability, and Board of Directors’ and officers’ omission and errors liability. This line also provides auto insurance for our green training vehicle.
- 6200 Facilities Maintenance: \$5,000** – Allocated costs for facility repairs or maintenance not included in the monthly rent payments for Workforce Connections’ administration offices.
- 6210 Legal Counsel Fees: \$50,000** – Allocated costs for legal services in areas such as board and official open meetings preparation including review of agendas, contract agreements, RFPs, and policies.
- 6230 License and Permits: \$3,000** – Allocated costs for software licenses and permits associated with new computers or purchased upgrades for current software.
- 6250 Office Supplies: \$15,000** – Allocated costs for various office supplies needed for every day operations.
- 6260 - Salaries: \$2,413,763** – Allocated costs for administrative and program staff salaries.
- 6265 - Employee Fringe Benefits: \$809,818** – Allocated costs for employee benefits including medical, dental, life insurance, and Public Employees Retirement System (PERS) contributions. A rate of 35% of the total salaries is used to calculate the fringe benefits.
- 6270 Postage and Delivery: \$3,000** – Allocated costs for postage and mail delivery including such activities as routine postage, courier delivery service, and Federal Express delivery.
- 6280 Printing and Reproduction: \$12,000** – Allocated costs for monthly copier per copy charges and other ancillary copying and printing costs associated with Board administration and daily operations.
- 6285 Board Support and Travel: \$8,000** – Allocated costs for facility and event related charges tied to board and committee meetings and Board travel to grant activities.

- 6290 Facility Rent and Lease: \$365,348** – Allocated costs for Workforce Connections’ office space for staff in support of the Board’s administrative and programmatic functions.
- 6300 Telephone: \$30,000** – Allocated costs for all activities related to telephone services including local and long distance phone charges and wireless communication.
- 6305 Program Support Contracts: \$30,000** – Allocated costs for program support agreements and temporary staffing to support program and data support activities.
- 6306 Admin Support Contracts: \$145,000** – Allocated costs for administrative support agreements and temporary staffing with focus on administrative, fiscal, and personnel management.
- 6310 Travel (Staff): \$30,000 – a decrease of \$10,000** – Allocated costs for local mileage and out-of-town staff travel for grant related matters such as State and USDOL sponsored training and conferences. This account line also covers travel for staff training on an array of programmatic and fiscal activities, as well as local and rural areas site reviews and monitoring visits to ensure compliance with WIA initiatives and work plans. **This line item decrease is the result of the reduction in force which will result in a decrease in local mileage charges.**
- 6320 Training and Seminars (Staff): \$40,000** – Allocated costs for staff training and seminars for both local and out-of-town locations for fiscal, program, and systems management.
- 6390 Utilities: \$0** – Allocated costs for utilities which are currently included in the monthly lease agreement.
- 6440 Systems Communications Support: \$50,000** – Allocated costs for support systems such as data backup, T-1 lines, and web hosting for internal e-mail support.
- 6500 Workforce Development Outreach Initiatives: \$30,000** – Allocated costs for business and employer outreach initiatives to attract businesses and establish partnerships for workforce development and employer services.
- 6550 - Employer Payroll Taxes: \$71,804** – Allocated costs for employer payroll taxes which are calculated at 3% of total salaries.
- 6700 Youth Program Activities: \$15,000** – Allocated costs for youth program activities outside of daily operations such as service provider trainings and various youth conferences and summits.

- 6720 Adult/DW Program Activities: \$15,000** – Allocated costs for adult and dislocated worker program activities outside of daily operations such as service provider trainings and various employability conferences.
- 6850 Strategic Initiatives – Governor’s Reserve: \$0 – a decrease of \$75,000**– This account line was created to utilize and track strategic projects in support of workforce initiatives with detailed tactics and strategies in response to unanticipated high demand workforce needs. As such, an incentive award of \$75,000 was allocated to Workforce Connections in recognition of outstanding workforce development services oversight and delivery. This line item decrease is a result of the awarding of the Governor’s Reserve funding to the Clark County Summer Business Institute in May 2012 for their summer youth program.
- 6850 Strategic Initiatives: \$141,302 – a budget increase of \$41,302** – This account line was created to utilize and track strategic projects in support of workforce initiatives with detailed tactics and strategies in response to unanticipated high demand workforce needs. These funds are available to be allocated for future workforce initiatives approved by the Board. This line item increase is based on the actual WIA allocation from the State of Nevada in the amount of \$31,302 and the savings of \$10,000 in staff travel.

APRIL 2012 REPORT

workforce CONNECTIONS

PY2011 WIA Formula Expenses

For the Period : July 1 ' 2011 through June 30' 2012 (Formula)

Administrative and Program Operating Budget

% of Program Year Concluded 83.33%

| Line Item Number | Budget | | | ACTUAL EXPENSES | | | Budget Authority Remaining | | | % Expended from Budget | | | |
|------------------|-----------------------------------|------------------|------------------|------------------|------------------|------------------|----------------------------|----------------|------------------|------------------------|---------------|---------------|---------------|
| | Operating Expenses | Admin | Program | Total | Admin | Program | Total | Admin | Program | Total | Admin | Program | Total |
| 6100 | Audit/Accounting Services | 430,000 | 0 | 430,000 | 381,794 | 0 | 381,794 | 48,206 | 0 | 48,206 | 88.79% | 0.00% | 88.79% |
| 6120/6129 | Bank/Payroll Services | 6,000 | 0 | 6,000 | 4,923 | 0 | 4,923 | 1,077 | 0 | 1,077 | 82.05% | 0.00% | 82.05% |
| 6130 | Equipment/Furniture | 42,000 | 108,000 | 150,000 | 17,741 | 87,954 | 105,695 | 24,259 | 20,046 | 44,305 | 42.24% | 81.44% | 70.46% |
| 6130-11 | NV Trac Data Tracking Systems | 0 | 180,000 | 180,000 | 0 | 124,383 | 124,383 | 0 | 55,617 | 55,617 | 0.00% | 69.10% | 69.10% |
| 6140 | Equipment Repairs | 700 | 1,800 | 2,500 | 0 | 0 | 0 | 700 | 1,800 | 2,500 | 0.00% | 0.00% | 0.00% |
| 6150 | Legal Publication/Advertising | 8,400 | 21,600 | 30,000 | 4,921 | 12,348 | 17,269 | 3,479 | 9,252 | 12,731 | 58.58% | 57.16% | 57.56% |
| 6160 | Dues & Subscriptions | 3,500 | 9,000 | 12,500 | 2,890 | 5,871 | 8,761 | 610 | 3,129 | 3,739 | 82.58% | 65.23% | 70.09% |
| 6170 | Equipment Rental | 6,790 | 17,460 | 24,250 | 5,426 | 11,145 | 16,570 | 1,364 | 6,315 | 7,680 | 79.91% | 63.83% | 68.33% |
| 6190 | Insurance | 8,400 | 21,600 | 30,000 | 3,145 | 8,455 | 11,599 | 5,255 | 13,145 | 18,401 | 37.44% | 39.14% | 38.66% |
| 6200 | Facilities Maintenance | 2,800 | 7,200 | 10,000 | 1,779 | 3,870 | 5,650 | 1,021 | 3,330 | 4,350 | 63.55% | 53.76% | 56.50% |
| 6210 | Legal Fees | 50,000 | 0 | 50,000 | 33,255 | 0 | 33,255 | 16,745 | 0 | 16,745 | 66.51% | 0.00% | 66.51% |
| 6230 | License & Permits | 1,120 | 2,880 | 4,000 | 792 | 1,184 | 1,976 | 328 | 1,696 | 2,024 | 70.74% | 41.11% | 49.41% |
| 6250 | Office Supplies | 7,000 | 18,000 | 25,000 | 6,386 | 13,416 | 19,801 | 614 | 4,584 | 5,199 | 91.23% | 74.53% | 79.21% |
| 6260 | Salaries | 949,245 | 1,927,255 | 2,876,500 | 752,329 | 1,553,939 | 2,306,267 | 196,916 | 373,316 | 570,233 | 79.26% | 80.63% | 80.18% |
| 6265 | Employee Fringe Benefits | 332,236 | 674,539 | 1,006,775 | 213,617 | 450,100 | 663,717 | 118,619 | 224,439 | 343,058 | 64.30% | 66.73% | 65.93% |
| 6270 | Postage & Delivery | 1,120 | 2,880 | 4,000 | 834 | 1,866 | 2,700 | 286 | 1,014 | 1,300 | 74.48% | 64.79% | 67.50% |
| 6280 | Printing & Reproduction | 4,200 | 10,800 | 15,000 | 3,419 | 6,828 | 10,247 | 781 | 3,972 | 4,753 | 81.40% | 63.22% | 68.31% |
| 6285 | Board Travel & Training | 0 | 10,000 | 10,000 | 0 | 5,760 | 5,760 | 0 | 4,240 | 4,240 | 0.00% | 57.60% | 57.60% |
| 6290 | Rent | 93,499 | 240,425 | 333,924 | 76,586 | 155,706 | 232,292 | 16,913 | 84,719 | 101,632 | 81.91% | 64.76% | 69.56% |
| 6300 | Telephone | 11,200 | 28,800 | 40,000 | 9,641 | 20,105 | 29,746 | 1,559 | 8,695 | 10,254 | 86.08% | 69.81% | 74.37% |
| 6305/6306 | Contract Services | 80,000 | 100,000 | 180,000 | 45,504 | 72,486 | 117,991 | 34,496 | 27,514 | 62,009 | 56.88% | 72.49% | 65.55% |
| 6310 | Staff Travel | 12,600 | 32,400 | 45,000 | 8,668 | 19,181 | 27,849 | 3,932 | 13,219 | 17,151 | 68.80% | 59.20% | 61.89% |
| 6320 | Training & Seminars - staff | 18,200 | 46,800 | 65,000 | 7,845 | 18,903 | 26,748 | 10,355 | 27,897 | 38,252 | 43.10% | 40.39% | 41.15% |
| 6440 | System Communication Support | 19,600 | 50,400 | 70,000 | 15,803 | 33,925 | 49,728 | 3,797 | 16,475 | 20,272 | 80.63% | 67.31% | 71.04% |
| 6500 | Outreach | 18,200 | 46,800 | 65,000 | 14,681 | 31,425 | 46,106 | 3,519 | 15,375 | 18,894 | 80.66% | 67.15% | 70.93% |
| 6550 | Employer Payroll Taxes | 28,477 | 57,817 | 86,294 | 16,749 | 40,119 | 56,867 | 11,728 | 17,698 | 29,427 | 58.81% | 69.39% | 65.90% |
| 6700 | Youth Program Activities | 0 | 25,000 | 25,000 | 0 | 9,990 | 9,990 | 0 | 15,010 | 15,010 | 0.00% | 39.96% | 39.96% |
| 6720 | Adult/DW Program Activities | 0 | 25,000 | 25,000 | 0 | 5,032 | 5,032 | 0 | 19,968 | 19,968 | 0.00% | 20.13% | 20.13% |
| 6850 | Strategic Initiative (Operations) | 0 | 435,352 | 435,352 | 0 | 0 | 0 | 0 | 435,352 | 435,352 | 0.00% | 0.00% | 0.00% |
| | Total | 2,135,287 | 4,101,808 | 6,237,095 | 1,628,728 | 2,693,990 | 4,322,719 | 506,559 | 1,407,818 | 1,914,376 | 76.28% | 65.68% | 69.31% |

| Legend | |
|--------|-------------|
| | Correct Now |
| | Watch |
| | OK |

workforce CONNECTIONS
Awards and Expenditures
Program Year 2011 Adult/Dislocated Worker Programs
As of May 25, 2012

Amounts for Providers reflect invoiced allowable expenditures through April 2012. Providers with a star (*) after their name only reflect expenditures through March 2012.
 Amounts for Internal Programs reflect expenditures through May 25, 2012.

WIA PY11 Adult and Dislocated Worker Green Sector

| Provider | Contract Award | Adult Expenditures | DW Expenditures | Total Invoiced | % Spent | Remaining Balance | PY11 SESF Expenses |
|-----------------------------------|------------------------|------------------------|----------------------|------------------------|---------------|-------------------|--------------------|
| Bridge Counseling Associates | \$ 500,000.00 | \$ 232,906.77 | \$ 165,986.92 | \$ 398,893.69 | 79.78% | 101,106.31 | 48,300.00 |
| GNU Family Life Center | \$ 600,000.00 | \$ 247,502.90 | \$ 228,703.18 | \$ 476,206.08 | 79.37% | 123,793.92 | 33,000.00 |
| Goodwill of Southern Nevada | \$ 600,000.00 | \$ 292,556.85 | \$ 119,713.31 | \$ 412,270.16 | 68.71% | 187,729.84 | 30,605.50 |
| Latin Chamber Foundation | \$ 600,000.00 | \$ 222,173.80 | \$ 169,834.18 | \$ 392,007.98 | 65.33% | 207,992.02 | 55,392.00 |
| Nevada Partners, Inc | \$ 600,000.00 | \$ 224,369.41 | \$ 210,068.97 | \$ 434,438.38 | 72.41% | 165,561.62 | 32,206.91 |
| So. NV Regional Housing Authority | \$ 175,000.00 | \$ 46,128.19 | \$ 44,525.52 | \$ 90,653.71 | 51.80% | 84,346.29 | 8,847.50 |
| Total | \$ 3,075,000.00 | \$ 1,265,637.92 | \$ 938,832.08 | \$ 2,204,470.00 | 71.69% | 870,530.00 | 208,351.91 |

43%

57%

WIA PY11 Adult and Dislocated Worker Health Sector

| Provider | Contract Award | Adult Expenditures | DW Expenditures | Total Invoiced | % Spent | Remaining Balance | PY11 SESF Expenses |
|---|------------------------|------------------------|----------------------|------------------------|---------------|---------------------|--------------------|
| CCSD - Desert Rose* | \$ 500,000.00 | \$ 89,612.09 | \$ 2,832.79 | \$ 92,444.88 | 18.49% | 407,555.12 | - |
| Foundation for an Independent Tomorrow | \$ 600,000.00 | \$ 267,713.06 | \$ 239,414.62 | \$ 507,127.68 | 84.52% | 92,872.32 | 1,000.00 |
| Latin Chamber Foundation | \$ 600,000.00 | \$ 226,689.78 | \$ 140,273.04 | \$ 366,962.82 | 61.16% | 233,037.18 | See Green Above |
| Nevada Hospital Association | \$ 600,000.00 | \$ 145,528.58 | \$ 5,455.52 | \$ 150,984.10 | 25.16% | 449,015.90 | - |
| Nevada Partners, Inc | \$ 600,000.00 | \$ 249,195.58 | \$ 136,592.11 | \$ 385,787.69 | 64.30% | 214,212.31 | See Green Above |
| So. NV Medical Industry Coalition - ended 1/31/12 | \$ 384,397.83 | \$ 305,192.41 | \$ 79,205.42 | \$ 384,397.83 | 100.00% | - | See Green Above |
| So. NV Regional Housing Authority | \$ 175,000.00 | \$ 56,484.82 | \$ 51,386.17 | \$ 107,870.99 | 61.64% | 67,129.01 | See Green Above |
| Total | \$ 3,459,397.83 | \$ 1,340,416.32 | \$ 655,159.67 | \$ 1,995,575.99 | 57.69% | 1,396,692.83 | 1,000.00 |

33%

67%

WIA PY11 Adult and Dislocated Worker Rural Services

| Provider | Contract Award | Adult Expenditures | DW Expenditures | Total Invoiced | % Spent | Remaining Balance | PY11 SESF Expenses |
|---------------------------|----------------------|----------------------|----------------------|----------------------|---------------|-------------------|--------------------|
| Nye Communities Coalition | \$ 750,000.00 | \$ 289,641.72 | \$ 224,935.96 | \$ 514,577.68 | 68.61% | 235,422.32 | 15,127.05 |
| Total | \$ 750,000.00 | \$ 289,641.72 | \$ 224,935.96 | \$ 514,577.68 | 68.61% | 235,422.32 | 15,127.05 |

44%

56%

WIA PY11 Internal Programs

| Provider | Contract Award | Adult Expenditures | DW Expenditures | Total Invoiced | % Spent | Remaining Balance |
|----------------|----------------------|----------------------|-----------------|----------------------|---------------|-------------------|
| Pride Re-Entry | \$ 500,000.00 | \$ 322,904.46 | \$ - | \$ 322,904.46 | 64.58% | 177,095.54 |
| Total | \$ 500,000.00 | \$ 322,904.46 | \$ - | \$ 322,904.46 | 64.58% | 177,095.54 |

0%

100%

WIA PY11 To Be Allocated Amounts

| Contract | Contract Award | Adult Expenditures | DW Expenditures | Total Invoiced | % Spent | Remaining Balance |
|----------------------------|------------------------|---------------------|---------------------|---------------------|---------------|------------------------|
| To be allocated | \$ 3,550,441.17 | \$ - | \$ - | \$ - | 0.00% | 3,550,441.17 |
| Total | \$ 3,550,441.17 | \$ - | \$ - | \$ - | 0.00% | \$ 3,550,441.17 |
| Total PY11 Adult/DW | 11,334,839.00 | 3,218,600.42 | 1,818,927.71 | 5,037,528.13 | 44.44% | 6,230,181.86 |

36%

64%

workforce CONNECTIONS
Awards and Expenditures
As of May 25, 2012

Amounts for Providers reflect invoiced allowable expenditures through April 2012. Providers with a star (*) after their name only reflect expenditures through March 2012.
 Amounts for Internal Programs reflect expenditures through May 25, 2012.

WIA PY10/PY11 Governor's Reserve Youth

| Provider | Contract Award | Total Invoiced | % Spent | Remaining Balance |
|--|------------------------|----------------------|---------------|----------------------|
| Clark County - Summer Business Institute - ended 9/2011 | \$ 299,028.00 | \$ 260,471.92 | 87.11% | 38,556.08 |
| Clark County - Summer Business Institute - for summer 2012 | \$ 75,000.00 | \$ - | 0.00% | 75,000.00 |
| Nevada Public Education Foundation - ended 1/2012 | \$ 645,000.00 | \$ 644,999.30 | 100.00% | 0.70 |
| Total | \$ 1,019,028.00 | \$ 905,471.22 | 88.86% | \$ 113,556.78 |

WIA PY10 Internal Programs Ongoing

| | Contract Award | Total Invoiced | % Spent | Remaining Balance |
|--|----------------------|----------------------|---------------|---------------------|
| Pride Re-Entry - carryforward amount remaining from PY10 | \$ 239,964.76 | \$ 239,964.76 | 100.00% | - |
| Caliente - ends 6/2012 | \$ 246,206.00 | \$ 170,803.49 | 69.37% | 75,402.51 |
| Total | \$ 486,170.76 | \$ 410,768.25 | 84.49% | \$ 75,402.51 |

Direct Grants

| Program | Contract Award | Total Invoiced | % Spent | Remaining Balance |
|---|------------------------|------------------------|---------------|------------------------|
| Department of Justice - Get Out - ends 9/2012 | \$ 692,096.00 | \$ 519,410.65 | 75.05% | 172,685.35 |
| Health Resources and Services Admin. (HRSA) - ends 9/2012 | \$ 140,509.00 | \$ 123,964.60 | 88.23% | 16,544.40 |
| Layoff Aversion - Rapid Response - ends 6/2012 | \$ 210,000.00 | \$ 137,646.22 | 65.55% | 72,353.78 |
| State Energy Sector Partnership (SESP) - ends 1/2013 | \$ 3,503,000.00 | \$ 2,146,615.97 | 61.28% | 1,356,384.03 |
| Youth Build PY09 - CCSD - Desert Rose - ended 6/2011 | \$ 161,559.11 | \$ 161,559.11 | 100.00% | - |
| Youth Build PY09 - GNJ Family Life Center - ended 6/2011 | \$ 552,338.93 | \$ 552,338.93 | 100.00% | - |
| Youth Build PY09 - WC - ends 6/2012 | \$ 386,101.96 | \$ 321,227.89 | 83.20% | 64,874.07 |
| Youth Build PY11 - CCSD Desert Rose - ends 5/2013 | \$ 158,584.00 | \$ 16,810.29 | 10.60% | 141,773.71 |
| Youth Build PY11 - WC - ends 5/2013 | \$ 941,416.00 | \$ 294,611.39 | 31.29% | 646,804.61 |
| Total | \$ 6,745,605.00 | \$ 4,274,185.05 | 63.36% | \$ 2,471,419.95 |

**Workforce Connections
Adult and Dislocated Worker Funding Plan
May 25, 2012**

| | Available Funds | Projections Based on Monthly Invoices | | | | | One Year + 3 Months TOTAL | Remaining |
|---|-------------------|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------------|------------------------|
| | | Apr-Jun 2012 3 Months | Jul-Sep 2012 3 Months | Oct-Dec 2012 3 Months | Jan-Mar 2013 3 Months | Apr-Jun 2013 3 Months | | |
| REVENUES (Available As of May 16, 2012) | | | | | | | | |
| PY2011 Adult and DW Funding | 5,803,034 | 2,288,289 | 3,514,745 | | | | 5,803,034 | - |
| PY2012 Adult and DW Funding | 13,164,641 | | 333,802 | 3,683,233 | 3,683,233 | 3,683,233 | 11,383,501 | 1,781,140 |
| TOTAL REVENUES | 18,967,675 | 2,288,289 | 3,848,547 | 3,683,233 | 3,683,233 | 3,683,233 | 17,186,535 | 1,781,140 |
| EXPENDITURES | | | | | | | | 1.43 Months |
| Service Provider Contracts | | | | | | | | |
| PY2011 Current Contracts | | 1,331,643 | 1,065,314 | | | | 2,396,957 | |
| Internal Programs | | | | | | | | |
| Pride Reentry Program | | 177,096 | | | | | 177,096 | |
| Operations | | | | | | | | |
| Administration and Programs | | 779,550 | 758,233 | 758,233 | 758,233 | 758,233 | 3,812,482 | |
| Pending Contracts | | | | | | | | |
| PY2011 Adult and DW Contract Extensions (\$9.1 million) | | | 1,600,000 | 2,500,000 | 2,500,000 | 2,500,000 | 9,100,000 | |
| PY2012 Reentry Program (\$700,000) | | | 175,000 | 175,000 | 175,000 | 175,000 | 700,000 | |
| PY2012 One-Stop Operation (\$1.0 million) | | | 250,000 | 250,000 | 250,000 | 250,000 | 1,000,000 | |
| TOTAL | | 2,288,289 | 3,848,547 | 3,683,233 | 3,683,233 | 3,683,233 | 17,186,535 | |

PY2011 funding period is available July 1, 2011 through June 30, 2013 (after two years, funds revert to the State for one additional year)

PY2012 funding period is available July 1, 2012 through June 30, 2014 (after two years, funds revert to the State for one additional year)

**Workforce Connections
Youth Funding Plan
May 25, 2012**

| | Available Funds | Projections Based on Monthly Invoices | | | | | One Year + 3 Months TOTAL | Remaining |
|--|-------------------|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------------|--------------------|
| | | Apr-Jun 2012 3 Months | Jul-Sep 2012 3 Months | Oct-Dec 2012 3 Months | Jan-Mar 2013 3 Months | Apr-Jun 2013 3 Months | | |
| REVENUES (Available As of May 16, 2012) | | | | | | | | |
| Governor's Reserve Incentive | 75,000 | 25,000 | 50,000 | | | | 75,000 | - |
| PY2010 Youth Funding | - | - | | | | | - | - |
| PY2011 Youth Funding | 5,661,990 | 2,697,000 | 2,964,990 | | | | 5,661,990 | - |
| PY2012 Youth Funding | 6,337,899 | | 387,010 | 1,752,000 | 1,752,000 | 1,752,000 | 5,643,010 | 694,889 |
| TOTAL REVENUES | 12,074,889 | 2,722,000 | 3,402,000 | 1,752,000 | 1,752,000 | 1,752,000 | 11,380,000 | 694,889 |
| EXPENDITURES | | | | | | | | 0.96 Months |
| Service Provider Contracts | | | | | | | | |
| Current Contracts (ending date 9/30/2012) | | 600,000 | 600,000 | | | | 1,200,000 | |
| New Amendments (Board approved 3/27/12) | | | | | | | | |
| Nye Communities (ending 6/30/2012) | | 89,000 | | | | | 89,000 | |
| Nevada Partners (ending 6/30/2012) | | 678,000 | | | | | 678,000 | |
| HELP (ending 9/30/2012) | | 300,000 | 900,000 | | | | 1,200,000 | |
| Internal Programs | | | | | | | | |
| Graduate Advocate Initiative | | 360,000 | | | | | 360,000 | |
| Caliente Reentry | | 30,000 | | | | | 30,000 | |
| Operations | | | | | | | | |
| Administration and Programs | | 540,000 | 466,000 | 466,000 | 466,000 | 466,000 | 2,404,000 | |
| Pending Contracts | | | | | | | | |
| Governor's Reserve - CC Summer Business Institute | | 25,000 | 50,000 | | | | 75,000 | |
| PY2011 Lincoln County Contract Extension \$100,000 | | | 25,000 | 25,000 | 25,000 | 25,000 | 100,000 | |
| PY2011 Youth Summer Component/Year Round \$1,000,000 | | 100,000 | 300,000 | 200,000 | 200,000 | 200,000 | 1,000,000 | |
| PY2012 Youth Re-entry \$300,000 | | | 75,000 | 75,000 | 75,000 | 75,000 | 300,000 | |
| PY2012 Youth Out-of-School Contract \$2,000,000 | | | 500,000 | 500,000 | 500,000 | 500,000 | 2,000,000 | |
| PY2012 Youth In-School Contracts \$1,944,000 | | | 486,000 | 486,000 | 486,000 | 486,000 | 1,944,000 | |
| TOTAL | | 2,722,000 | 3,402,000 | 1,752,000 | 1,752,000 | 1,752,000 | 11,380,000 | |

PY2010 funding period is available July 1, 2010 through June 30, 2012 (after two years, funds revert to the State for one additional year)
PY2011 funding period is available July 1, 2011 through June 30, 2013 (after two years, funds revert to the State for one additional year)
PY2012 funding period is available July 1, 2012 through June 30, 2014 (after two years, funds revert to the State for one additional year)

workforce CONNECTIONS

**Audit Findings for PY2010
(Year Ended June 30, 2011)**

**Monthly Status Report
June 2012**

| Finding | Type | Description | Target Date | Audit | | | | | |
|---|---------------------|--|---------------|-----------|-----------|-----------|-----------|-----------|--|
| | | | | PY2010 | PY2009 | PY2008 | PY2007 | PY2006 | |
| | | | | ended | ended | ended | ended | ended | |
| | | | | 6/30/2011 | 6/30/2010 | 6/30/2009 | 6/30/2008 | 6/30/2007 | |
| | | | | | | | | | |
| 11-1 | Financial Reporting | Lack of Policies and Procedures and GAAP adherence - improved from last year but still lacks effective policy and procedures | May/June 2012 | X | X | X | X | X | |
| | | Status: A new financial system was implemented in January 2012. The system will improve the entry and reporting of financial data as well as assist in the implementation of more control and accountability. | | | | | | | |
| | | Action: Sept 2011 - Completed configuration of the new financial system, began staff training, and determined original staff assignments. | | | | | | | |
| | | Action: May 2012 - Document the final reconciliation of Financial Edge to QuickBooks for July through December. | | | | | | | |
| | | Action: May/June 2012 - Update written policies and procedures for Financial Edge. | | | | | | | |
| | | Finding Status: Jun 2012 - QuickBooks policies were in place Jul 2011 and new policies for Financial Edge will be in place by Jun 2012. This portion of the finding should reflect substantial progress for the June 30, 2012 audit. | | | | | | | |
| | | Status: The monthly closing processes will be assigned to specific fiscal staff wherein each staff has an assigned responsibility with a due date. Completion of the closing processes and the review/approval will be documented and retained. | | June 2012 | | | | | |
| | | Action: May 2012 - Revise policies, procedures, and checklists that will address the timely handling of transactions, will determine correct backup documentation, and will establish proper controls and reviews according to GAAP. | | | | | | | |
| | | Action: May/June 2012 - Review standard journal entry procedure. | | | | | | | |
| | | Finding Status: Jun 2012 - We received this audit finding on Feb 24, 2012. Monthly reconciliation and close processes will be implemented and documented for the months Jul 2011 through Jun 2012 in Financial Edge by Jul 2012. This portion of the finding should reflect substantial progress for the June 30, 2012 audit. | | | | | | | |
| Action: Jul 2012 - Develop new monthly/quarterly financial status reports. | | | | | | | | | |
| Action: Aug 2012 - Review program closeout procedure that ensures final draws, reports, and closing documents are submitted timely. | | | | | | | | | |
| 11-2 | Financial Reporting | Lack or insufficient skills and knowledge to perform governmental accounting utilizing GAAP - improved from last year but still needs improvement | May 2012 | X | X | X | X | | |
| | | Status: The new Finance Manager will provide the expertise necessary to provide the skills and knowledge that have been needed. | | | | | | | |
| | | Action: Mar 2012 - New Finance Manager hired February 27, 2012. | | | | | | | |
| | | Action: May 2012 - Extensive training on DOL fiscal regulations was provided to all administrative and program staff including Finance. | | | | | | | |
| | | Finding Status: Jun 2012 - In addition to interim audit services from Jul through Sep 2011, a new Finance Manager (Feb 2012), Financial Analyst (Jul 2011), and Financial Consultant (Aug 2011) were hired to expand the expertise of the finance staff. This finding should reflect substantial progress for the June 30, 2012 audit. | | | | | | | |

workforce CONNECTIONS

Audit Findings for PY2010
(Year Ended June 30, 2011)

Monthly Status Report
June 2012

| Finding | Type | Description | Target Date | Audit | | | | | |
|---------|----------------|---|-------------|-------------|-------------|--------------|--------------|--------------|--|
| | | | | PY2010 | PY2009 | PY2008 | PY2007 | PY2006 | |
| | | | | ended | ended | ended | ended | ended | |
| | | | | 6/30/2011 | 6/30/2010 | 6/30/2009 | 6/30/2008 | 6/30/2007 | |
| | | | | | | | | | |
| | | | | (2/24/2011) | (4/29/2011) | (06/08/2010) | (09/22/2009) | (07/22/2008) | |
| 11-3 | Federal Grants | SEFA schedules did not agree with supporting records or documentation | June 2012 | X | X | X | X | X | |
| | | Status: The SEFA continues to be reconciled to the supporting draw and invoice records. | | | | | | | |
| | | Action: May 2012 - Continue to reconcile PY11 SEFA to transactions in the new FE Financial System. Document monthly procedure, review and approval. | | | | | | | |
| | | Finding Status: Jun 2012 - Monthly reconciliation and close processes will be implemented and documented for Jul 2011 through Jun 2012 in Financial Edge by Jul 2012. This finding should reflect substantial progress for the June 30, 2012 audit. | | | | | | | |
| | | Action: Ongoing - Update and reconcile the PY11 SEFA each month through year end. | | | | | | | |
| 11-4 | Federal Grants | Grant funds expended for purposes other than the purpose specified in drawdown. | May 2012 | X | X | X | | | |
| | | Status: The SEFA has been kept up-to-date since April 2011. This resulted in improved drawdown calculations and reduces discrepancies. | | | | | | | |
| | | Action: May 2012 - Continue to update the PY11 SEFA worksheet ensuring that discrepancies between the drawdown requests and the actual expenditures are identified in a timely manner. | | | | | | | |
| | | Finding Status: Jun 2012 - Progress had been made including Implementation of a working capital balance and weekly reimbursement draw process in Jan 2012 for WC Operations as well as the monthly SEFA reconciliation process to be completed in Jul 2012. This finding should reflect substantial progress for the June 30, 2012 audit. | | | | | | | |
| | | Action: Ongoing - the SEFA must be kept up-to-date monthly to ensure accuracy. | | | | | | | |
| 11-5 | Federal Grants | Requests for funds need to be complete, accurate, and agree to supporting documentation. | March 2012 | X | X | | | | |
| | | Status: It currently takes DETR one to three weeks to process a drawdown request. Because Workforce Connections does not have cash available to pay expenditures and then request reimbursements, cash management can be very difficult. | | | | | | | |
| | | Action: Dec 2011 - Review the split between programs for the operations drawdowns. | | | | | | | |
| | | Action: Jan 2012 - Implemented a new working capital balance draw process that allows weekly reimbursement of expenses. Implement program draw percentages based on prior month's cost allocation. | | | | | | | |
| | | Action: Mar 2012 - Review revenue postings and service provider payments to ensure timely and accurate funding draws with prompt disbursement of funds. | | | | | | | |
| | | Finding Status: Jun 2012 - Request for funds are reconciled to the SEFA in the new monthly reconciliation process to be completed in Jul 2012. This finding should reflect substantial progress for the June 30, 2012 audit. | | | | | | | |
| | | Action: Ongoing - The Finance Manager and Interim Executive Director will continue to work with DETR to review and improve the drawdown payment process. | | | | | | | |

workforce CONNECTIONS

Audit Findings for PY2010
(Year Ended June 30, 2011)

Monthly Status Report
June 2012

| Finding | Type | Description | Target Date | Audit | | | | | |
|--|----------------|---|---------------|-----------|-----------|-----------|-----------|-----------|--|
| | | | | PY2010 | PY2009 | PY2008 | PY2007 | PY2006 | |
| | | | | ended | ended | ended | ended | ended | |
| | | | | 6/30/2011 | 6/30/2010 | 6/30/2009 | 6/30/2008 | 6/30/2007 | |
| | | | | | | | | | |
| 11-5 cont. | | Funding federal grants in advance - excessive time elapsed between receipt of funds and disbursement of funds | August 2011 | | | | | | |
| | | Status: The updated monthly SEFA process has corrected the delayed payment processing for subrecipients. After a preliminary review, the drawdowns are requested from DETR. While waiting for payment, the documents are reviewed by program staff for allowable costs and then by finance staff for accuracy of the calculations and account coding. | | | | | | | |
| | | Action: Apr 2012 - Continue to update the PY11 SEFA worksheet as drawdowns occur. | | | | | | | |
| | | Finding Status: Jun 2012 - Disbursements continue to be made in a timely manner. This finding should not repeat for the June 30, 2012 audit. | | | | | | | |
| | | Action: Ongoing - continue to review the process to ensure that documents are processed and paid in a timely manner. | | | | | | | |
| 11-6 | Federal Grants | ARRA - timely reporting of quarterly reports | July 2011 | X | X | | | | |
| | | Status: All of the ARRA funds have been expended and there are no more reports due. The June 30, 2011 report was submitted within the 10 day deadline. | | | | | | | |
| | | Action: Aug 2011 - Two ARRA reports were due for June 30, 2011. Both were submitted on time. | | | | | | | |
| | | Action: Oct 2011 - One final ARRA report was submitted on time for Youthbuild. | | | | | | | |
| | | Finding Status: Jun 2012 - All ARRA quarterly reports were filed timely. This finding should not repeat for the June 30, 2012 audit. | | | | | | | |
| 11-7 | Federal Grants | Documentation supporting program participant eligibility shall be complete, accurate, and retained | May/June 2012 | X | | | | | |
| | | Status: Policies and procedures have been developed and annual monitoring by program staff will ensure complete and accurate records. | | | | | | | |
| | | Action: Apr/May 2012 - Program staff continue to provide technical assistance, oversight, and review of files for completion and accuracy. | | | | | | | |
| | | Action: May 2012 - Fiscal and program staff will review to ensure specific issues have been resolved. | | | | | | | |
| | | Action: May/Jun 2012 - Review and test eligibility for new participants. | | | | | | | |
| | | Finding Status: Jun 2012 - We received this new audit finding on Feb 24, 2012. Technical assistance and monitoring has taken place with WC program staff. Many of the client files for the internal WIA programs will be transitioned to new service providers in Jul 2012. This finding should not repeat for the June 30, 2012 audit. | | | | | | | |
| Action: Ongoing - Program staff will continue to monitor records for the internal and direct programs that have participant files. | | | | | | | | | |

workforce CONNECTIONS

**Audit Findings for PY2010
(Year Ended June 30, 2011)**

**Monthly Status Report
June 2012**

| Finding | Type | Description | Target Date | Audit | | | | |
|---|----------------|--|-------------|-------------|-------------|--------------|--------------|--------------|
| | | | | PY2010 | PY2009 | PY2008 | PY2007 | PY2006 |
| | | | | ended | ended | ended | ended | ended |
| | | | | 6/30/2011 | 6/30/2010 | 6/30/2009 | 6/30/2008 | 6/30/2007 |
| | | | | | | | | |
| | | | | (2/24/2011) | (4/29/2011) | (06/08/2010) | (09/22/2009) | (07/22/2008) |
| 11-8 | Federal Grants | Sub-recipients awards did not contain the required information | July 2011 | X | X | X | | X |
| | | Status: A contract template was developed for July 2011 contracts that ensures all data elements will be collected from each service provider. Regarding the failure to identify ARRA funding, there will be no more ARRA contracts issued since all funds have been expended. | | | | | | |
| | | Action: Sept 2011 - A contract checklist was developed for PY11 contracts to ensure all data elements are collected. | | | | | | |
| | | Action: May 2012 - Training will be provided on contracts and procurement to WC staff and service providers. | | | | | | |
| | | Action: May 2012 - Review PY2011 executed contracts to ensure new check lists are complete and all data elements are collected. | | | | | | |
| Finding Status: Jun 2012 - All contracts for program year 2011 included the new template with the required information. This finding should not repeat for the June 30, 2012 audit. | | | | | | | | |
| | | Action: Ongoing - Ensure all future contracts contain data. | | | | | | |
| 11-9 | Federal Grants | Financial reporting of Form ETA 9130 - timely submissions | July 2011 | X | X | | | |
| | | Status: A spreadsheet was developed for monitoring all report due dates and two fiscal staff are required to monitor the spreadsheet to ensure every report is submitted in advance of its deadline. | | | | | | |
| | | Action: Nov 2011 - Quarterly direct grant reports are submitted in a timely manner. | | | | | | |
| | | Action: Jan/Feb 2012 - Quarterly direct grant reports were completed within deadlines. | | | | | | |
| | | Finding Status: Jun 2012 - All WIA quarterly reports were filed timely. This finding should not repeat for the June 30, 2012 audit. | | | | | | |
| | | Action: Ongoing - monthly monitoring must continue to take place to ensure reports meet all deadlines. | | | | | | |
| 11-10 | Federal Grants | Monitoring of sub-recipients - Annual Monitoring and Tracking of Findings | August 2011 | X | X | X | | |
| | | Status: Dept of Labor requires annual financial reviews of subrecipients. Our policy was updated. A monitoring spreadsheet has been developed to track all findings. | | | | | | |
| | | Action: Aug 2011 - the Board approved the policy change from semi-annual reviews to annual reviews effective June 2011. | | | | | | |
| | | Action: May 2012 - Continue the annual fiscal monitoring of all service provider contracts. Reports must be issued within 30 days. | | | | | | |
| | | Action: May 2012 - Document and track follow-up on fiscal monitoring findings. | | | | | | |
| Finding Status: Jun 2012 - Annual monitoring will be completed by May 2012 and findings follow up will continue. This finding should not repeat for the June 30, 2012 audit. | | | | | | | | |
| | | Action: Ongoing - Pink Paper monthly review of fiscal and program status. | | | | | | |