

# County of Sonoma Agenda Item Summary Report

Clerk of the Board Use Only  
Meeting Date  
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Agenda Item No:  
\_\_\_\_\_

**Department:** Human Services

**4/5 Vote Required**

**Contact:**  
Karen Fies

**Phone:**  
(707) 565-8501

**Board Date:**  
July 21, 2009

**Deadline for Board Action:**  
July 21, 2009

**AGENDA SHORT TITLE:**

Unanticipated Revenue from the American Recovery and Reinvestment Act and the Workforce Investment Act, and a reimbursement from the Sonoma County Department of Health Services.

**REQUESTED BOARD ACTION:**

- A. Resolution authorizing budgetary adjustments to the 2009-2010 Final Budget for the Human Service Department in the amount of \$2,201,467 (4/5<sup>th</sup> vote required).
- B. Resolution adding 4.0 FTE, 1.0 Time Limited FTE, and restoring 1.0 FTE to the Human Services Department Position Allocation List effective October 1, 2009.

## CURRENT FISCAL YEAR FINANCIAL IMPACT

**EXPENDITURES**

Estimated Cost	\$	2,201,467	Contingencies	\$	000.00
			(Fund Name: )		
Amount Budgeted	\$	000.00	Unanticipated Revenue	\$	2,201,467
			(Source: State of California )		
Other Available Approp.	\$	000.00	Other Transfer(s)	\$	000.00
			(Source: )		
(Explain Below)	\$				
Additional Requested:	\$	2,201,467	Total Source of Funds:	\$	2,201,467

**Explanation** (if required): Funds are from the American Recovery and Reinvestment Act and the Workforce Investment Act, and a reimbursement from the Sonoma County Department of Health Services. There is no cost to the County.

**Prior Board Action(s):**

June 16, 2009: Approved Human Service Department Budget.  
 April 7, 2009: Approved Resolution 09-0295 amending Human Services Department Position Allocation List.  
 March 24, 2009: Approved adjustments to the Human Services Department 2008-09 Final Budget.

**Alternatives – Results of Non-Approval:**

Non-approval would result in the loss of \$2,201,467 to improve the County's SonomaWORKS Work Participation Rate and to increase and improve services to clients of the Human Service Department's SonomaWORKS and Workforce Investment Act programs.

**Background**

The Board of Supervisors is requested to approve a resolution authorizing budgetary adjustments to the 2009-2010 Final Budget for the Human Service Department in the amount of \$2,201,467 and to approve a resolution adding 4.0 FTE, 1.0 Time Limited FTE, and restoring 1.0 FTE to the Human Services Department Position Allocation List effective October 1, 2009.

**Unanticipated Revenue**

The Human Services Department received \$2,201,467 in unanticipated revenue from the following sources: \$691,935 from the American Recovery and Reinvestment Act of 2009 (ARRA); an additional \$581,378 of ARRA funding specifically for rapid response activities; and \$928,154 from the federally funded Workforce Investment Act (WIA).

**Inter-Departmental Reimbursement**

The Human Services Department is also receiving \$75,000 in funds from the Sonoma County Department of Health Services, but due to the inter-departmental nature of these funds they are treated as a reimbursement and are not included in the unanticipated revenue figures.

**Use of Funds in Requesting Positions**

The Human Services Department recognizes the uncertainties of the state budget, and therefore will not be filling any of the positions requested below until the state budget is finalized and the SonomaWORKS (Sonoma County’s version of CalWORKs) allocation is known. We anticipate that the state budget will be resolved during the fall of 2009 and have therefore budgeted these positions for a nine-month period beginning in October 2009.

The Board of Supervisors is requested to approve adding positions to the Department’s Position Allocation List and to restore a Program Planning Analyst position that was eliminated in the 2009-2010 budget. Historically, we have used a significant amount of SonomaWORKS funding to support Job Link and its programs. With the influx of unanticipated revenue from ARRA and WIA, Job Link will be considerably more self-sufficient, thereby freeing up a significant amount of SonomaWORKS funding to increase staffing and services to SonomaWORKS participants. The application of additional SonomaWORKS funds to participant services is critical, as the department continues to struggle to improve the county’s performance under the federally mandated Work Participation Rate (WPR) performance measure. Although we have made progress in improving the WPR, failure to further improve WPR could result in significant financial penalties to the county in future years.

**Attachments:**

- A. Resolution authorizing budgetary adjustments to the 2009-2010 Final Budget for the Human Service Department.
- B. Resolution authorizing amendments to the Human Services Department Position Allocation List.

**On File With Clerk:** None

**CLERK OF THE BOARD USE ONLY**

**Board Action (If other than “Requested”)**

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**Vote:**

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The most recent data shows that, over the 28 month period from January 2007 to April 2009, there has been a 14.4 percentage point improvement in the rate of those actively participating in the program and a 4.6 percentage point reduction in the rate of those who are not engaged (a decrease in this rate is a significant sign of improvement). Designating additional SonomaWORKS funds for participant services and staff will ensure continued improvement in the WPR and complement future strategies, such as subsidized employment and rent subsidies, expected to be made available through ARRA Emergency Contingency Funds (ECF) later in the 2009-2010 fiscal year.

Again, we recognize the uncertainties of the state budget and will delay filling the requested positions until the state budget is finalized and the SonomaWORKS allocation is known.

### **Sources and Amounts of Unanticipated Revenue**

#### **American Recovery and Reinvestment Act (ARRA) - \$1,273,313**

ARRA funds are provided under the Workforce Investment Act, but are separate from the regular WIA allocation. As in WIA, counties receive funds in accordance with a formula based on unemployment rates. The 2009-2010 proposed budget included \$1,295,932 from ARRA for adult and dislocated (laid off) worker services. Due to Sonoma County's higher unemployment the final allocation was \$1,987,867, an increase of \$691,935. In addition, the department also received an unexpected \$581,378 of ARRA funding specifically for rapid response services to employers and their employees experiencing layoffs. In total, this \$1,273,313 of ARRA funding is expected to be non-recurring, one-time only funds.

#### **Workforce Investment Act (WIA) - \$928,154**

Revenue of \$2,587,475 from WIA was included in the proposed county budget. Final allocations and carryover amounts totaled \$3,515,629, an increase of \$928,154. These WIA funds are recurring funds that can be anticipated in future fiscal years.

### **Inter-Departmental Reimbursement**

#### **Sonoma County Department of Health Services - \$75,000**

The Sonoma County Department of Health Services (DHS) is providing \$75,000 in funds under the Mental Health Services Act (Proposition 63) to provide employment services and support at Job Link for seriously mentally ill (SMI) job seekers referred from DHS' Mental Health Division, as well as drop-in clients that are not referred. As mentioned previously, due to the inter-departmental nature of these funds they are treated as a reimbursement and are not included in the unanticipated revenue figures.

### **Uses for Unanticipated Revenue**

**\$418,788** will be used to increase client services for adults and dislocated workers through contracted service providers; increase youth services in the Youth Education & Employment Services program; add new workshops at Job Link and new workshops for clients with learning disabilities; and provide employment assistance to parolees exiting the prison system. This will also support the monitoring and audit of contracts by the Auditor's office. Specific contract amendments will be brought to the Board of Supervisors for approval once they are developed.

**\$536,547** will be used to directly increase client supportive services such as child care, transportation, tools and uniforms. These are reimbursements that are paid directly to the clients to offset certain expenses associated with finding and retaining employment.

**\$132,027** will be used to increase the funds available to Job Link clients for educational purposes. These funds are known as individual training accounts, and are mainly for the tuition and books costs associated with short-term educational programs.

**\$943,195** will be used to add a 1.0 time-limited FTE Job Developer (Employment & Training Coordinator) for Job Link, 2.0 FTE Employment & Training Counselors at Job Link, 2.0 FTE Employment and Training Specialists for SonomaWORKS, and Extra Help staff. The additional staff and extra help will enable us to meet the needs of job seekers at Job Link and help lower SonomaWORKS caseloads, thereby allowing staff to focus on engaging participants to improve the county's Work Participation Rate.

On April 7, 2009 the Board of Supervisors deleted two positions from the Human Services Department, effective June 30, 2009. The department is requesting that the Board restore one of those two positions, the 1.0 FTE Program Planning Analyst, to help manage and develop programs (such as those expected under ARRA Emergency Contingency Funds) with a focus on improving the county's WPR, and also to help manage the additional youth contracts that have recently been awarded to youth provider agencies.

The time-limited Job Developer position and the Extra Help staff will be paid for through the ARRA non-recurring, one-time only funds. The two Employment & Training Counselors at Job Link will be funded by the increased WIA allocations that are expected to continue into future years. The two Employment & Training Specialists positions will be paid for with the SonomaWORKS funding that is now available due to the increased WIA allocations, and is also expected to continue into future years.

And once again, we would like to stress that none of these positions will be filled until the state budget is finalized and the SonomaWORKS allocation is known.

**\$147,830** will be used to provide assessment software for job seekers, client supplies, marketing and outreach to businesses to promote hiring of Job Link and SonomaWORKS clients and other operational expenses associated with improving our service delivery method. Currently, the Job Link office does not have any software systems designed for case management, so a portion of these funds will go towards purchasing and implementing a system that will support the staff's case management duties.

**\$23,080** will be used for staff training in such areas as how to effectively administer federal stimulus funds, addressing alcohol and other drug issues, and motivating and supporting clients toward employment and self-sufficiency.

### **Recommendation**

The Board of Supervisors is requested to adopt a resolution authorizing budgetary adjustments in the amount of \$2,201,467 to the 2009-2010 Final Budget for the Human Service Department and to approve a resolution adding 4.0 FTE, 1.0 Time Limited FTE, and restoring 1.0 FTE to the Human Services Department Position Allocation List effective October 1, 2009.