

**PA Partners – Fiscal Workgroup Meeting  
May 7, 2008**

The meeting was held at the Hershey Conference center. Tom Whetsel welcomed everyone and stated that there was no set agenda, however, Cheryl Davis and Brian Noon from Department of Public Welfare (DPW) wanted to provide an update to the new contract requirements that will be issued and Chris Enright, Bill Lanham and Sue Fox from the Bureau of Workforce Development Partnership (BWDP) wanted to provide an update on the new year's allocations and rescission status.

**DPW Highlights**

Cheryl stated that the regulations, which were discussed on the April 29th conference call, are still under development and they are trying to decide on what they want the program to accomplish. They have worked on various formulas for a performance based contracting system, but found that it may be impossible for most of the LWIA because they have no other funds to make up any differences if performance is not met.

They are now looking at incentive base contracting and they would like a stronger relationship with the fiscal agents. DPW is issuing new guidelines for the narrative and new budget forms for the period starting July 1, 2008. The new plan narrative will include more of a regional approach to providing services to clients. Most of the clients still in the system may be difficult to place in employment.

The Local Workforce Investment Boards will need to partner closely with County Assistance Office (CAO) directors in order to provide a strategic plan narrative that explains how the LWIB will assist the CAO in meeting the work participation rate. The plan narrative must demonstrate the coordination of services through-out the region.

An assessment and more formal relationship will need to be made between the LWIB and all the organizations within the local area that provide services to DPW clients. Data needs to be captured and reported to demonstrate the effectiveness of the programs.

The Local Management Committee (LMC) case loads may increase the number of clients referred.

The LWIB work participation rate will be 85% in order for the CAO to meet the 60% statewide work participation rate. The 85% rate can be negotiated based on each LWIB economy.

The new contract documents will have what is expected to be done and the plan narrative will describe how the contract requirements will be met.

- There will still be a 10% cap on the administrative cost category and the current description will not be changed.
- The same funding as this year will be contracted July 1, 2008.
- Requests may be submitted to use the work experience, benefits, subsidized wage and eye/ear funds for other program services if they are not needed in these categories.
- The monitoring process will verify contract compliance.

The contract starting July 1, 2008 will be cost reimbursement; however, this could change at some point in the year if a new contracting process is finalized.

DPW would like the fiscal agents to provide feedback and recommendations for the new system. DPW stated that a subcommittee may be formed to include individuals from DPW, LWIB, Fiscal Agent and Program Services. This would allow input from all sides.

**BWDP Highlights**

• **TRADE FUNDING**

Chris stated that there is a request to use the \$22M of Trade funds to provide case management services to customers. There is \$24M available for training programs. Dual enrollments would still be required. They may ask for additional funds if the request is approved.

• **RESCISSION AND NEW YEAR ALLOCATIONS**

Chris stated that the reports were provided to the LWIB. The state will work with the LWIB on how to cover for 10% and Rapid Response funds. They may also provide assistance if the LWIB cannot transfer funds around. The LWIB should contact BWDP if they have a problem in this area.

Sue Fox stated that an email will be sent to each fiscal agent shortly and that it will provide the contract number and amount required to be transferred to another contract. Request to transfer draw downs must be done and the FSR will need to be adjusted and close-out packages redone. All this must be done by June 30<sup>th</sup> so the system is correct for year-end.

The New Year's allocations for adult and dislocated workers funds are to be provided shortly.

- **FSR REPORTING**

The drawdown of funds in excess to the expenditures reported on the monthly FSR will be reviewed and if there is a material difference and explanation will be required. This may be looked at on a quarterly basis; however the state may have a hard time matching these two since we draw funds to pay for expenditures that could be charged to future months or not funding from other programs being available on a timely basis.

- **RESOURCE SHARING AGREEMENT BUDGETS**

The RSAB allocations and approvals should be out sometime next week. BWDP is still working with other state partners to determine funding available. The CARS system will still be used for RSA expenditure reporting.

The signature process for the RSAB is up to the locals, regional BWDP staff has the authority to sign on behalf of their funding sources. The agreements and budget process for sites needs to be updated and ideas or information that locals want to provide is welcomed.

- **FISCAL AGENT PASS-THROUGHS**

BWDP is looking at taking away the fiscal agents responsibility for managing pass-through contracts that the fiscal agents have no relationship to. If the fiscal agents do receive these they will be responsible for all administrative requirements

- **ADDITIONAL FUNDS**

The LWIB may put in a request to BWDP for additional funds as long as they can provide documentation that shows what is actually needed.

Industry Partnership funds were approved to be carried over into next year; however, the LWIB must demonstrate their need of the funds or the funds may be reallocated to other areas.

There is about 10M dollars available from the state legislators. The LIWB should think about request some of those funds.

There will be a survey conducted in August to see if there is a need and interest in meeting in State College for a one day fiscal session.

*Notes compiled by Pauline Guffey, Co-Chair PA Partners Fiscal Workgroup.*