

Creating The Strategy
for Today's Needs and Tomorrow's Talent



Finance and Administration Council

Meeting Agenda

February 23, 2012

8:30 am – 11:00 am

I. **Welcome & Chair Remarks** Chair Ben Grzesik

Self-Introductions Council Members

II. **Action / Discussion Item**

1. Update on Region 12's TANF De-Obligation Appeal Larry Champion

III. **Department of Economic Opportunity – “What is our role and how can we assist people to enter, remain, and advance in the workforce?”** DEO Staff

IV. **Regional Workforce Boards** – Recommendations to Increase Transparency and Accountability through Strengthening the Relationship Between Local Elected Officials and Regional Workforce Boards Council Members

V. **Closing Comments**

Finance and Administration Council

Meeting Summary

November 10, 2011

Newly appointed Council Chair Ben Grzesik opened the meeting at 9:00 a.m. and welcomed all the members. He also recognized Mary Lou Brunell for all of her past efforts chairing the Finance and Administration Council, noting that with the new governance structure, she has joined the Global Talent Competitiveness Council. Due to the appointment of several new members, the Chair asked that everyone introduce themselves to other Council members. Following the introductions, Chair Grzesik asked Larry Champion to take the formal roll call:

Members Present:

Jim Baiardi
Randy Berridge
Ben Grzesik, Chairman
George Hauer
Eric Kennedy
Andy Perez, Vice Chair
Maria Rodriguez
Regional Chair Designee -
Soma Gail Melnick for Dennis Meyers

Members Not Present:

Leslie Ingram
Lumon May
Wayne Rosen

A quorum having been established, Chair Grzesik referred members to Tab 9 for today's agenda. Following the agenda, he referred members to the meeting summary for the May Finance and Administration Council meeting and asked if there were any corrections to those – none were noted. The Chair reviewed the items included on the agenda and with no objection, moved the “*Workforce System Accountability and Transparency*” discussion to the end of the agenda, to allow for an overview of several initiatives what the Board and Council already has at its disposal.

ACTION ITEMS

Action Item 1 – Approval To Distribute State-Level Congressional Reserve to Regional Boards (refer to Tab 5)

Chair Grzesik asked Larry Champion to provide an overview of this action item. Larry noted that this proposed action item was a follow-up to the May Council meeting and actions taken before the Board relative to the FY 2011/12 workforce system funding. During that Council meeting, due to the uncertainty at USDOL over the recent Congressional action on funding for fiscal year 11/12, final action could not be taken by the Council regarding the disposition of the 10% state-level discretionary funding from the adult and dislocated worker funding streams that remained in question. Because of the confusion, the Council recommended that the Board hold the 10% funding in a reserve pending clarification from Washington.

Mr. Champion noted that attached to this proposed action item was a copy of a recent TEGl from Assistant Secretary Jane Oakes, dated October 26, 2011, that indicates that the 10% adult and dislocated worker state-level funds must be distributed to the regional boards. The proposed action

would allocate these funds to the 24 regional boards using the same formula and basis that applied to the initial allocation. Pursuant to a follow-up question from Mr. Eric Kennedy, Larry explained that with the passage of the continuing resolutions by Congress, a reduction of 1.503% in the WIA grant award was also passed, resulting in a total loss of \$1.691 million to Florida. This reduction has been appropriately allocated to state and regional fund distributions, with the regional share of \$1.36 million being incorporated into the proposed distribution as shown within the action item.

***Motion:* Approval to allocate state-level 10% Adult and Dislocated Worker funds to the regional boards based upon the same formulas used in the initial allocations for Adult 85% and Dislocated Worker 60% funds respectively, net of the 1.503% reduction adopted by recent congressional action.**

Motion: Mr. Andy Perez
Second: Mr. Randy Berridge

The Motion passed unanimously.

Pursuant to a question from Mr. Randy Berridge, Chair Grzesik explained that this Council action would be taken before the full Board the next day for final consideration.

Action Item 2 – Approval of Annual Financial Audit Conducted by James Moore & Co., P.L. for period ending June 30, 2011 (refer to Tab 4) –

Chair Grzesik explained that in accordance with Board policy, we are required to obtain an independent CPA audit each fiscal year, with a report of findings being brought forward by the audit firm to this Council, and then to the full Board. He noted that a member of the audit firm was in attendance to provide this report, following initial remarks by Mrs. Lisa Guilford, WFI Controller.

Mrs. Guilford explained the Federal and state requirements for obtaining independent audits in accordance with OMB Circular A-133 and the State Single Audit act. Copies of the completed audit have been distributed to the DEO Inspector General, the Financial Monitoring Office at DEO, the Florida Auditor General, and to the Federal Clearinghouse appropriately. She noted that for the 11th consecutive year, WFI has received an unqualified, i.e., clean audit opinion, with no material internal control weaknesses, and internal control deficiencies. This has been accomplished through strong internal control policies and procedures in place at WFI, monitoring efforts by staff of its contracts and grants, and the governance provided by the WFI Board and the management team. We have achieved this working together, and she noted how proud she was to have been a part of this effort for the last six of those years.

Mrs. Guilford noted several things that helped us achieve this clean audit opinion include:

- Enhancements to the comprehensive accounting policies
- Merger of previously stand-alone policies into the comprehensive monitoring plan for contracts and grants, and
- Updating on a timely basis the WFI employee handbook with new employee requirements and best practices

Mrs. Guilford also noted that WFI had also received a clean financial monitoring report for the 2010/11 period as conducted by Thomas Hal Ferguson, CPAs, under contract with DEO – with no findings, no observations, or items for follow-up. After opening the floor to questions, Lisa introduced Ms. Rae Kerr, Senior Audit Manager of James Moore and Company, CPA's.

Ms. Kerr reiterated several of the points made by Lisa during her discussion. She discussed the way the audit effort is undertaken, in sort of an inverse pyramid. First, we look at the financial statements and perform procedures in order to issue an opinion based upon the overall materiality of the financial statements, and then because the organization has to comply with requirements of contract and grant agreements for the funds received, they have to perform their audit in accordance with government auditing standards. This requires us to access internal controls over the financial statements as well as review compliance requirements relative to various grants, laws and contracts that have a direct and material effect on the financial statements. Further, since the organization expended more than \$500,000 in federal and state funds, we have to drill down into major state and major federal programs, determined through risk assessments that they define, to further determine compliance with the requirements of those programs. As part of this review, we look at internal controls over compliance related to those major state and federal programs.

Ms Kerr directed members to page 1 and 2 of the audit report, third paragraph down, shows the actual audit opinion – an unqualified audit opinion, or the highest level of assurance any agency can receive on their financial statements. Basically states that our financial statements are materially correct in accordance with generally accepted accounting principles.

Looking at pages 7, 8, and 9, these are your actual financial statements – statement of net assets (i.e., balance sheet) as of a specific point in time (June 30, 2011). Page 8 is the statement of revenues and expenses, and changes in net assets. Whereas the organization received and spent more than \$12 million, or \$2 million more than in the prior year, support service expenditures of the organization increased less than 1%, which is an amazing feat based upon the increased workload. Page 9 is a cash flow statement that is required by generally accepted accounting principles which basically shows changes in cash and cash equivalent expenditures.

Ms Kerr noted that Pages 10 – 16 of the report represents notes to the financial report required by generally accepted accounting principles. Pages 17 – through the end of report basically reflect additional work done by the firm, and the most important part of this is on page 27. This is a summary of everything we do and the basis for the opinions we have issued. In a “nut shell”, this is a great audit!

Members had some questions of Ms. Kerr and the staff specifically relating to the additional funds allotted by the Board to the Incumbent Worker program and when the remaining unspent allotments would show up in an audit. Mr. Champion responded that this audit reflects a review of the IWT revenues drawn and spent during the fiscal year, and any remaining funding would carry-forward into a subsequent period and audit. Another member asked about the possibility of using the unrestricted balance as shown on the financial statement to address additional Board initiatives. Mr. Champion explained that the funds covered by this audit were operational and management in nature, and should not to be unconfused with the un-allotted state-level set-aside funds under the direct control of the Board, which would be reported on subsequently during the meeting.

Motion: To authorize the Council Chair to recommend acceptance of the annual financial audit for the fiscal year ending June 30, 2011, conducted and prepared by James Moore & Co., CPA's, to the full Board of Directors for approval.

Motion: Ms. Maria Rodriguez

Second: Mr. George Hauer

The Motion passed unanimously.

Action Item 3 – Implementation of Temporary Assistance to Needy Families (TANF) De-Obligation Policy –

Chair Grzesik asked Larry to introduce the next item for consideration. Background information was provided and Larry pointed out that due to the continually declining legislative appropriations of TANF funds to the workforce system over the last several years, the Workforce Florida Board had adopted a voluntary de-obligation policy for regional TANF funds with penalties for non-compliance, effective with the 2005-06 fiscal year. This current Board policy requires that the regions must appropriately monitor the use of these allocated funds during the course of the fiscal year to ensure that any and all funds that cannot be expended by that region be identified and voluntarily de-obligated in time for the State Board to reallocate these funds to other regions that may need additional funds. Unfortunately, TANF funds that remain unobligated by a region as of June 30, and unexpended as of the end of September 30, revert back to the State for direct client services, in essence loss to the workforce system. The Board's policy specifies that regions that allow TANF funds to revert back to the state without appropriately de-obligating these funds in a timely fashion face a dollar-for-dollar reduction in their current year TANF allocations. Regional boards are reminded of the de-obligation policy by the Agency each year in early spring so that any such funds can be recaptured and reallocated if necessary.

With this background, Larry noted that unfortunately, Region 12, Workforce Central Florida, failed to exercise appropriate fiscal oversight in managing the level of TANF funds they could expend during FY 2010-11, resulting in \$1,019,482 in TANF funds being reverted back to the state as of the end of September 30. Larry noted that in accordance with the Board's policy, the purpose of this action item is to reduce Region 12's current year allotment (FY 11-12) of TANF funds by the amount of funds that reverted. Additionally, if this de-obligation action is sustained by Council action, staff proposes to re-allocate these funds to the remaining 23 regions using the same relative percentage applied to the initial allocation.

Larry explained that incorporated into the Board's de-obligation policy is an appeal provision which allows the affected region to submit substantiating documentation for further consideration by the Council and that Mr. Kevin Neal, Interim Executive Director for Region 12, was present and would like to submit an appeal on behalf of the region.

Mr. Kevin Neal addressed the Council and distributed a letter from his new Board Chair, Mr. Kevin Shaughnessy addressed to Chair Grzesik for consideration. Mr. Neal provided a background of the current efforts to reorganize Region 12's Board and Executive Management team. Kevin noted that based upon his recent assessment, it was obvious that the previous management team failed to appropriately manage the use of the region's TANF allocation in accordance with the WFI policy, ultimately resulting in the reversion of over \$1 million in funding back to the state. Mr. Neal noted that the new Board is taking swift steps to correct a number of issues within the region pursuant to the Governor's directive, and to impose a sanction such as this against the TANF clients needing services during the new year simply because of prior mismanagement would be unfair.

Council members questioned whether there have been new policies and practices implemented in the region to preclude this from happening again. Mr. Neal noted that due to the lapse of internal controls by the previous management as noted in the recent audit and financial monitoring reviews that the region was bringing in Mr. Jim Doyle, Federal Programs grant manager at DEO as a major resource to assist with this effort.

Council Member Perez asked Mr. Neal about the possibility of even spending the more than \$7 million in TANF allotments during the remaining months of the fiscal year. Kevin responded that programs were already underway and that he could assure the Council that this could be done. Member Perez recommended that the Council might want to consider obtaining another independent audit or more extensive financial reports as part of the recommendation. Member Berridge suggested that a financial plan indicating how these funds would be used within the time line allotted might be helpful. Additional discussion centered around the current financial monitoring potentially with a broadened emphasis and the on-going A-133 audit of the region, under the high-risk designation. Member Baiardi suggested that the Council might want to consider releasing a portion of these funds now, with the balance based upon usage. Larry responded that in that vein, the Council could establish a date certain by which the region would have to report the level of funding used, and if not sufficient, the Council could require the return of any identified excess balance at that time. Member Melnick agreed that we should consider some contingency language on the release of these funds. Considerable discussion continued on options and timelines that could be entertained by the Council. Member Kennedy suggested that in addition to a March 30 "drop-dead" date when a decision has to be made regarding a voluntary deobligation, that he would suggest having an interim update at the next quarterly Board meeting.

Vice Chair Perez presented the following motion:

***Motion:* To accept Region 12's appeal, but only release 50% of the TANF funding, putting a timeline of February 2012 to report back to the Council, with release of the remaining balance of TANF funding contingent upon the Region's prior utilization, to include an updated expenditure report from the region of all monies allotted to TANF, and ask staff to provide a snapshot of remaining regions that may need additional TANF funds in the event any portion of these funds become available.**

Clarification to Perez's motion was sought by Member Berridge with confirmation that in the event the region meets the expenditure threshold of 50% by the end of February 2012 successfully, that the remaining funds would be automatically released.

Motion: Mr. Andy Perez
Second: Mr. George Hauer

Mr. Berridge asked the Chairman to have the record show that the amended motion was appropriately seconded and passed unanimously.

Chair Grzesik moved next to the informational items. Before opening the floor for discussion, the Chair presented three questions for the members to consider as the next items are brought forth:

Do you think that the State Board and specifically the Finance and Administration Council, is providing sufficient oversight of the workforce system?

Are there particular areas of interest that you as a Council member feel needs to be addressed more specifically?

With deference given to the current federal and state laws and regulations that govern our workforce programs which oftentimes limit what we as a Board can do, and we will have to depend on our staff and DEO administrators to help guide us, can you think of any ways that you would like this Council to proceed to address these and similar concerns?

INFORMATION ITEMS

1. **Region 12 Status Report** – Chair Grzesik recognized Mr. Kevin Neal for any additional comments about the reorganization efforts occurring within Region 12. He noted that in addition to rebuilding a completely new Board and terminating the regional management team, we are reaching out individually to the five chief local elected officials within the region through teleconferences and one-on-one meetings offering technical assistance and support through this transition, so that they understand their roles and responsibilities under the federal law. The Consortium has held public meetings on this issue and appointed 28 new board members. Within a week of appointing new board members, Workforce Central Florida held its first meeting, with him presiding over the meeting until a Chair was appointed. It is clear that this new Board wants to meet the requirements laid out by the Governor, but to also go beyond that to ensure full transparency and accountability to the public. The first meeting of the new Finance Committee was held about a week ago and efforts are underway to find a permanent Executive Director, with the first meeting of this Committee taking place today. In response to a question, Kevin mentioned that the administrative appeal filed by the previous Board against the Agency was withdrawn by the new Board.
2. **Department Of Economic Opportunity Quarterly Update** – Mr. Tom Clendenning provided the Agency report. He noted that the Agency has met all the required quarterly deliverables outlined within the AWI/WFI contract. Tom also noted that the Agency has been working extensively with FWDA and WFI staff to consider the implications of the recent UC legislation which requires that claimants register on-line through the internet. This is presently doubling the number of people going into the One-Stop Centers for assistance. During the annual meeting with the regional directors, required as a part of the WFI/AWI contract, two issues were brought

up – one, prior approval of promotional items and secondly, requiring department staff to spend time within the regions to see the day-to-day processes that are required.

For purposes of clarity for the new Council members, Larry explained the WFI/AWI (DEO) contract structure, noting that as the administrative and fiscal entity, DEO is required to address the Board each quarter to provide updates and to highlight issues that have arisen.

3. Report on Workforce System Funding -

Mr. Jim Doyal, Federal and State Program Director, DEO, presented information on the workforce system funding, highlighting the three major funding streams - WIA, TANF, and Wagner-Peyser. Jim noted that due to the influx of ARRA funding, and the increases in WIA over the last two years, our expenditure rates are slightly behind where we should be. Of particular concern is the National Emergency Grant – Adult funds which went directly to the regional boards. Unfortunately, there is no de-obligation process that can be applied to these funds, so it is important that the regions use these funds first.

Larry noted the lack of a de-obligation policy as it relates to WIA that the Board had at its disposal previously. This is due to USDOL not providing our requested waiver to implement a policy based upon actual expenditures. He also pointed out in response to a question from Member Kennedy, that it is difficult to determine the actual obligation amount for those regions providing direct services – unfortunately, there is no specific contract amount that can be reflected.

4. Report on Statewide Financial Monitoring

Jim Doyal distributed a handout on the current status of the Department’s financial monitoring efforts.

5. **Information Items 5-7** - Due to shortage of time, Ms. Lois Scott distributed handouts to the Council regarding the Department’s program monitoring efforts, the status of RWB contract reviews as conducted by the Department, and finally, a comparison of regional performance between those regions that provide direct services versus those that contract for such services.

Closing - Chair Grzesik noted that he would like to hold a follow-up meeting with the Council within the next three weeks to discuss thoughts and ideas of the members about how to increase accountability and transparency in the workforce system. He asked members to forward any suggestions to Larry to compile for this next meeting. There being no further discussion, the Chair adjourned the meeting.

Finance and Administration Council

Meeting Summary

December 1, 2011

Council Chair Ben Grzesik opened the meeting at 9:00 a.m. and welcomed all the members. Chair Grzesik asked Larry Champion to take the formal roll call:

Members Present:

Ben Grzesik, Chairman
George Hauer
Eric Kennedy
Andy Perez, Vice Chair
Wayne Rosen
Regional Chair Designee -
Soma Gail Melnick

Members Not Present:

Jim Baiardi
Leslie Ingram
Lumon May
Maria Rodriguez

A quorum having been established, Chair Grzesik reminded members that due to a shortage of time during the November meeting that we had deferred the open discussion about how to enhance accountability and transparency to a separate called meeting. During the November meeting, we had a good discussion about the current tools that the Department and the Board used to track expenditures and monitor the system, but we also need to consider other ways to provide oversight of the workforce system. Chair Grzesik reiterated the three discussion questions that he asked members to consider as a backdrop for today's discussion:

Do you think that the State Board and specifically the Finance and Administration Council, is providing sufficient oversight of the workforce system?

Are there particular areas of interest that you as a Council member feel needs to be addressed more specifically?

With deference given to the current federal and state laws and regulations that govern our workforce programs which oftentimes limit what we as a Board can do, and we will have to depend on our staff and DEO administrators to help guide us, can you think of any ways that you would like this Council to proceed to address these and similar concerns?

To start today's discussion, Chair Grzesik asked if any members had thoughts or ideas about ways or tools the regional boards use to provide oversight within their own region to provide better accountability. Member Kennedy commented that he was aware of major differences within the regions simply due to their own unique and diverse needs, and had often wondered how best to mine the best practices of the regions in order to replicate those in order to derive more consistency among regions. Member Perez asked, in light of the Governor's recommendation that regional budgets would be reviewed by WFI, if there was a way to evaluate the expenditure levels within the regions to determine if regions were effectively using the funds being provided. Larry Champion noted that at one time, USDOL had authorized our de-obligation waiver which allowed us to consider on a fund basis, the levels of expenditures within the regions, and in those instances where regions were not using their allocations, the Board could pull excess funds back and reallocate to other regions. This

waiver was in place for several years, but did not have to be applied given the continued reduction in Federal WIA funds that Florida was receiving. Now, as funding levels have more than doubled and when we could actually apply such a de-obligation policy, we do not have that authority. In follow-up, Andy asked that given this lack of authority to de-obligate, that there are two ways to look at funding, whether the funds are actually spent, and secondly, whether they are spent effectively and in accordance with the applicable rules and policies, and if indeed this is the case, this puts the state in a reactive mode, rather than proactive one. Larry noted that his initial thought is that given the state does not actually administer the programs on a day-to-day basis, and that we do not micromanage from Tallahassee, that unfortunately, this is the way it works. Chair Grzesik commented that this becomes an educational responsibility to ensure consistency among the regions in terms of administering the programs effectively. Larry responded that this is exactly what we are looking at doing is to provide the chief elected officials (CEOs), who are responsible for administering the local regional boards, with more information and training to ensure increased transparency and accountability.

Member Kennedy raised concerns about the role of the state board and DEO in driving policy and providing appropriate training as required – is this something that we can even go forward with. Larry responded that our present contract with DEO would be the best vehicle, if it doesn't already do so, to drive appropriate training to the local partners, including both CEO's and local regional board members and staff. Chair Grzesik commented that this then becomes more of a proactive role being taken by the state board.

Discussion then centered around the challenges of trying to legislate the management of programs which has been in the media so much recently, versus driving compliance as a requirement within federal and state laws and rules or board policy. Obviously, the latter is more easily accomplished.

Regional Board representative Soma Gail Melnick asked what the top two primary roles of the Finance and Administration Council were up to this point. Larry responded that the first would be the allocation of all federal funding coming to Florida in compliance with federal grant requirements and state appropriations and secondly, the compliance and oversight of those funds in conformity with laws, rules and board policy. Several examples were provided and discussed to show the Board's governance and oversight.

In terms of the Council's efforts going forward, Larry offered two suggestions that might offer additional insight and accountability: 1) to have the individual regional boards present their audit/financial monitoring results to the Council to highlight not just weaknesses, but best practices within their region, and 2) to have regional board budgets presented to the Council in a structured format and at a detail sufficient for some analysis by members. Member Kennedy offered one additional thought in light of the 10% reduction at the state level discretionary funding, that we need to be even more astute over our own resources and initiatives than we ever have been in the past.

Closing - Chair Grzesik asked if there were additional thoughts and ideas from the members for discussion. He noted that he sees the Council's role continuing to evolve to address the challenges within the system, and that it is important for members to remain diligent and ever questioning of not just current policies and procedures, but new ways to provide the needed oversight of this dynamic system.

Action/Discussion Item

UPDATE ON REGION 12's TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) DE-OBLIGATION APPEAL

As described in the meeting minutes for the November 10, 2011, meeting, the Council discussed Region 12's failure to voluntarily de-obligate \$1.019 million in TANF funds in accordance with the Board policy for use by other regions, ultimately allowing these funds to revert back to the state for client services. Mr. Kevin Neal, interim Executive Director for Region 12, brought forth a formal appeal to the policy from the newly appointed Chairman. In lieu of requiring the full offset against current year allotments, the Council took the following action which was unanimously approved:

Motion: To accept Region 12's appeal, but only release 50% of the TANF funding, putting a timeline of February 2012 to report back to the Council, with release of the remaining balance of TANF funding contingent upon the Region's prior utilization, to include an updated expenditure report from the region of all monies allotted to TANF, and ask staff to provide a snapshot of remaining regions that may need additional TANF funds in the event any portion of these funds become available.

Attached to this item is the latest TANF expenditure report by region which shows the cumulative expenditures through December 2011. Regional boards have 20 days following the end of the preceding month to finalize and record expenditures into the state-wide accounting system, which results in a month's delay in determining the status from a state-level perspective. A review of this data does not reflect that any one board is in desperate need of funding at this time, even though three regions have expended between 60-65% of their TANF allotments.

In addressing the specific requirements imposed on Region 12 during the Council meeting, Mr. Kevin Neal has indicated that he would have additional information to present to the Council. Attached is a copy of a letter received February 15, 2012, from both Regional Board Chairman Kevin Shaughnessy and Interim Director Neal which projects that total TANF expenditures as of February 15th will be approximately \$3,836,387, which is slightly more than 50% expended as of this date. Final expenditures as of the end of February would obviously be higher. Executive Director Neal has indicated that he will be present to address any questions that the Council members may have.

NEEDED ACTION

To re-consider the previous action taken by the Council during its November 10th meeting regarding the potential penalty against Region 12's current year TANF allocation in view of the additional information brought forth by the Region.



WORKFORCE CENTRAL FLORIDA

February 15, 2012

Benedict "Ben" Grzesik
Chair, Finance & Administration Council
Workforce Florida, Inc.
1580 Waldo Palmer Lane, Suite 1
Tallahassee, FL 32308

Dear Chairman Grzesik:

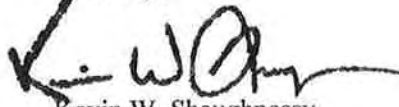
We are writing to provide the Finance & Administration Council an update on an action item considered during your November 10, 2011, Council meeting (Action Item #3), in which the Council agreed to not reduce Workforce Central Florida's (WCF) current program year Temporary Assistance to Needy Families (TANF) funding allocation of \$7,623,759 by \$1,019,482. The Council then approved the release of half of the full TANF allocation, with an automatic release of the second half in February 2012, provided WCF demonstrated that its TANF funds were actually being used.

Based on WCF's expenditure rate, we project that total TANF expenditures at the beginning of February was \$3,836,387, which represents more than half of the current \$7,623,759 annual allocation. Our projection is based on the following snapshot of expenditures as of December 31, 2011:

Expenditures reported through 12/31/11 -	\$2,817,797
Estimated January expenditures -	<u>\$1,018,590</u>
Total projected expenditures as of 02/2012 -	\$3,836,387

We would like to formally request the release of the second half of the TANF allocation so that WCF can continue to serve low-income TANF participants in our community. On behalf of the new WCF Board of Directors thank you again for allowing these funds to remain in the Central Florida community so that WCF can continue to serve the needs of local individuals and their families.

Sincerely,


Kevin W. Shaughnessy
Chairman of the Board


Kevin R. Neal
Interim Executive Director

cc: Chris Hart, President & CEO, Workforce Florida, Inc.
Larry Champion, Chief Financial Officer, Workforce Florida, Inc.
WCF Board of Directors

**WFI Financial Report
Welfare Transition Formula Summary**

	A	B	C	D	E	F	G	H
1								
2	Program Name	Welfare Transition		Expenditures through	12/31/11			
3	Report Section	RWB Formula		Awards through	01/23/12			
4	Report SubSection	Welfare Transition		Report/date	FINAL 01/29/12			
5								
6			Data					
7	PROGRAM YEAR	Awarded to:	Orig. Award	Award Adj.	Revised Award	LTD Expend.	Unexpend. Bal.	Expend Rate
8	2011	RWB 01	2,071,637	0	2,071,637	761,232	1,310,405	36.75%
9		RWB 02	538,833	0	538,833	200,507	338,326	37.21%
10		RWB 03	370,801	0	370,801	83,535	287,266	22.53%
11		RWB 04	694,957	0	694,957	320,098	374,859	46.06%
12		RWB 05	1,316,858	0	1,316,858	660,130	656,728	50.13%
13		RWB 06	535,679	0	535,679	333,802	201,877	62.31%
14		RWB 07	604,823	0	604,823	389,030	215,793	64.32%
15		RWB 08	5,056,499	0	5,056,499	2,020,153	3,036,346	39.95%
16		RWB 09	725,837	0	725,837	368,508	357,329	50.77%
17		RWB 10	1,622,063	0	1,622,063	627,586	994,477	38.69%
18		RWB 11	2,278,353	0	2,278,353	834,649	1,443,704	36.63%
19		RWB 12	7,623,759	0	7,623,759	2,041,560	5,582,199	26.78%
20		RWB 13	1,221,890	0	1,221,890	795,616	426,274	65.11%
21		RWB 14	2,931,740	0	2,931,740	1,368,763	1,562,977	46.69%
22		RWB 15	7,774,679	0	7,774,679	3,051,050	4,723,629	39.24%
23		RWB 16	2,029,114	0	2,029,114	931,722	1,097,392	45.92%
24		RWB 17	2,506,668	0	2,506,668	1,019,418	1,487,250	40.67%
25		RWB 18	1,832,445	0	1,832,445	891,850	940,595	48.67%
26		RWB 19	453,956	0	453,956	203,082	250,874	44.74%
27		RWB 20	2,096,912	0	2,096,912	855,493	1,241,419	40.80%
28		RWB 21	2,995,439	0	2,995,439	1,681,239	1,314,200	56.13%
29		RWB 22	4,838,084	0	4,838,084	2,082,604	2,755,480	43.05%
30		RWB 23	14,631,965	0	14,631,965	4,648,810	9,983,155	31.77%
31		RWB 24	2,627,629	0	2,627,629	1,028,360	1,599,269	39.14%
32	2011 Total		69,380,620	0	69,380,620	27,198,797	42,181,823	39.20%

WFI Financial Report
Welfare Transition Formula Summary

	A	B	C	D	E	F	G	H
1								
2	Program Name	Welfare Transition		Expenditures through	12/31/11			
3	Report Section	RWB Formula		Awards through	01/23/12			
4	Report SubSection	Welfare Transition		Report/date	FINAL 01/29/12			
5								
6			Data					
7	PROGRAM YEAR	Awarded to:	Orig. Award	Award Adj.	Revised Award	LTD Expend.	Unexpend. Bal.	Expend Rate
33	2010	RWB 01	2,589,546	0	2,589,546	2,589,546	-	100.00%
34		RWB 02	673,541	0	673,541	673,541	-	100.00%
35		RWB 03	463,499	0	463,499	463,499	-	100.00%
36		RWB 04	868,696	0	868,696	868,696	-	100.00%
37		RWB 05	1,457,847	0	1,457,847	1,457,847	-	100.00%
38		RWB 06	669,599	21,612	691,211	691,211	-	100.00%
39		RWB 07	743,388	0	743,388	743,388	-	100.00%
40		RWB 08	5,433,525	170,671	5,604,196	5,604,196	-	100.00%
41		RWB 09	907,296	19,722	927,018	927,018	-	100.00%
42		RWB 10	1,994,937	0	1,994,937	1,994,937	-	100.00%
43		RWB 11	2,495,111	0	2,495,111	2,495,111	-	100.00%
44		RWB 12	8,866,688	(1,019,482)	7,847,206	7,847,206	-	100.00%
45		RWB 13	1,422,286	52,995	1,475,281	1,475,281	-	100.00%
46		RWB 14	3,137,089	0	3,137,089	3,137,089	-	100.00%
47		RWB 15	8,578,350	0	8,578,350	8,578,350	-	100.00%
48		RWB 16	2,226,528	0	2,226,528	2,226,528	-	100.00%
49		RWB 17	2,678,598	0	2,678,598	2,678,598	-	100.00%
50		RWB 18	1,902,577	35,000	1,937,577	1,937,577	-	100.00%
51		RWB 19	543,348	0	543,348	543,348	-	100.00%
52		RWB 20	2,443,249	0	2,443,249	2,443,249	-	100.00%
53		RWB 21	3,169,286	0	3,169,286	3,169,286	-	100.00%
54		RWB 22	5,142,523	0	5,142,523	5,142,523	-	100.00%
55		RWB 23	18,289,956	0	18,289,956	18,289,956	-	100.00%
56		RWB 24	2,840,118	(300,000)	2,540,118	2,540,118	-	100.00%
57	2010 Total		79,537,581	(1,019,482)	78,518,099	78,518,099	-	100.00%
58	Grand Total		148,918,201	(1,019,482)	147,898,719	105,716,896	42,181,823	71.48%

REGIONAL WORKFORCE BOARDS

**Recommendations to Increase Transparency and Accountability
Through Strengthening the Relationship Between
Local Elected Officials and Regional Workforce Boards**

RECOMMENDATIONS FOR REGIONAL WORKFORCE BOARD TRANSPARENCY & ACCOUNTABILITY THROUGH STRENGTHENING THE RELATIONSHIP BETWEEN LOCAL ELECTED OFFICIALS AND REGIONAL WORKFORCE BOARDS:

- A. All Local Elected Officials (LEO) will have a written agreement with their Regional Workforce Board (RWB) which will at minimum contain:
 - 1. LEO delegation of fiscal and grant recipient function
 - 2. Employment and termination of the Executive Director
 - 3. LEO approval of the annual budget as well as any U.S. Department of Labor or Workforce Florida, Inc. (WFI) required program plans.
 - 4. LEO appointment of a County Commissioner to serve as a member of the Regional Workforce Board
 - 5. LEO process to appoint and remove Regional Workforce Board members.
 - 6. Address disallowed cost liability.

- B. All LEO's and RWB's will jointly establish and maintain a special Audit Review Committee that will at a minimum:
 - 1. Review annual audit reports of the RWB
 - 2. Review funding agency monitoring reports of the RWB

- C. Florida Association of Counties in coordination with WFI, DEO, Florida Workforce Chairs Association, and Florida Workforce Development Association will develop, maintain, and distribute information to County Commissioners periodically to keep them informed of their fiduciary responsibilities as an LEO.

US Chamber of Commerce Ranks Florida's Workforce and Job Training No. 1 Among States

Continuing a pattern of national recognition for its workforce training, Florida earned the top spot in the second annual Enterprising States report just released by the U.S. Chamber of Commerce and the National Chamber Foundation. After being ranked No. 2 last year for its workforce and training, Florida moved into the lead based on measures such as job placement, and other workforce and education related measures.

Based on information contained in the Workforce Florida 2010 – 2011 Annual Report, the local workforce system:

WIA Adult programs served over 57,000 individuals with over 20,000 entering employment or successfully completing services to assist them in upgrading their employment. The cost per participant served was \$2,189.

The Adult programs average approximately 80% entered employment rate, and a 90% retention rate. (retention is measured as still employed in the second quarter after the quarter of exit)

The WIA Youth programs served almost 30,000 youth with over 19,000 successfully completing their programs. The cost per participant served was \$1,335 (Successful completion is entered employment, postsecondary education, military, or apprenticeship programs)

Out of the nine performance measures reported to USDOL the regional workforce boards performance exceeded eight of the negotiated benchmarks, and met one. The regional workforce boards did not fail to meet or exceed any of the nine performance measures.

Based on information from DEO's monthly management report for the year end June 30, 2011 over 195,000 individuals and close to 13,000 Veterans who received services through Employ Florida entered the workforce.