

TO: Executive Committee

DATE: 10/05/09

FROM: Youth Council

For Action

For Information

For Discussion

SUBJECT: Disposition of Unspent Youth Funding

PROPOSED MOTION(S): That the Executive Council approves the disposition of youth funding as follows:

- 1. Modify Contract No. 2009149 by replacing \$175,000 of ARRA funds in (Out-of-School Youth) with up to \$267,783 unspent WIA formula funds, and**
- 2. Modify Contract No. 2009148 by replacing \$175,000 of ARRA funds in (In-School Youth) with up to \$225,000 unspent WIA formula funds; and**
- 3. Authorize the Department of Workforce Investment to utilize up to \$350,000 of ARRA funds to continue the Work Experience Program to serve approximately 140 18-24 year-old youth in Merced County, and forward to the Board of Supervisors for approval.**

DISCUSSION: On September 16, 2009, the Youth Council voted to recommend the disposition of Youth funding by replacing ARRA funding with unspent WIA formula funding in the current youth programs. Furthermore, the Youth Council recommended that ARRA funding be used to continue the Youth Work Experience Program through the Department of Workforce Investment for 18-24 year-old youth. The members of the Youth Council took into account staff concerns regarding the significant increase in unspent funding (especially in the Younger Youth Program) by the contractor, and voted to add \$97,783 to the Older Youth (Empower) Contract No. 2009149 and add \$50,000 to the Younger Youth (YOP) Contract No. 2009148, leaving approximately \$47,217 for travel, training and other Youth Council activities.

Planning is required to secure the timely spending of WIA dollars in Merced County in anticipation the State will soon require that 70% of youth funding be spent by June 30th of the fiscal year. This funding includes both Younger Youth (YOP), Older Youth (Empower) contracts and funding retained for operations and staffing. In the past, unspent funding was utilized as carryover and added to the existing youth contracts. The Youth Council was assured by the current youth contractor that any unspent funding would be extremely beneficial in serving additional participants in both the YOP and Empower Youth Programs. Data was provided by staff showing the increase in unspent funding since 2004. The contractor provided data to show the positive outcomes the youth programs are achieving, and stated the additional funds would continue the success of the programs, and acknowledged the efforts and plan to maximize the full expenditure of funding in both programs.

It is recommended that a monthly “planned vs. actual” reporting structure be put in place and added to the contract amendment.

ATTACHMENT(S): N/A