

Requested operating department expenditures, revenues and operating transfers

2017/18 vs. 2016/17

	<u>FY 2016/17</u>	<u>FY 2017/18</u>
Operating Expenditures	\$23,618,037	\$27,792,519
General Fund	\$7,043,908	\$7,521,379
Grants	\$15,250,586	\$19,085,511
PVHS	\$1,323,543	\$1,185,629
Operating Revenues	\$15,994,977	\$19,820,291
Operating Transfers	\$416,094	\$335,100
Personnel	\$7,127,808	\$7,058,917
General Fund	\$2,683,481 (76.9 FTE)	\$2,806,421 (70.97 FTE)
Grants	\$3,486,388 (54.23 FTE)	\$3,437,369 (55 FTE)
PVHS	\$ 957,939 (16 FTE)	\$815,127 (15 FTE)
Total FTE	147.13 FTE	140.97 FTE

Note: 32 of General Fund (GF) Full Time Equivalent (FTE) are summer youth multi-fill slots

Significant changes in the requested FY2017/18 budget versus the FY 2016/17 adopted budget

General Fund (GF)

Additional budgeted expenditures of \$48,000 are a result of a transfer to CSET for the Summer Youth Employment Program from the Regional Wastewater Reclamation Department (RWRD). The additional funds will be used to add a third youth work crew beginning July 1, 2017. This is an increase from \$130,000 in 2016/17 to \$178,000 in 2017/18.

Budgeted revenue of \$30,200 is for the Ending Poverty Now initiative and is from fees collected from workshop participants to cover costs associated with workshops. Participants in these workshops are professionals or agencies who are interested in conducting Getting Ahead workshops or are interested in learning more about techniques to guide people out of poverty.

Most of the year-to-year increase is due to an increase in the allocation to CSET for Information Technology Department (ITD) related costs.

The GF personnel year-to-year decrease of 5.93 FTE is a result of the minimum wage increase. The hours per youth are decreasing, resulting in more youth for each FTE.

Grants Budget

The year-to-year increase in the Grants budget is due to several factors.

First, several days before the budget was due, the department was notified of the possibility of a significant increase in Low Income Home Energy Assistance Program (LIHEAP) funds as well as several related utility assistance payment programs. Over \$2,500,000 was placed in the budget for this program.

Second, the Youth Career Connect (YCC) grant program will be in its final full year, and will show increases in expenditures for youth already enrolled as well as new youth. These youth are enrolled in Science Technology Engineering and Math (STEM) programs starting in their junior year in high school and continuing into community college.

Third, as the budget was being prepared CSET received a new grant for a program to help people exiting the Pima County jail find a job.

The recommended Grants Budget includes an increase of one FTE for a Program Coordinator for the new program housed at the jail.

Pima Vocational High School (PVHS) budget.

PVHS FTEs are reduced by one to reflect a programmatic change--a tutoring function is being shifted to a contractual basis to provide more flexibility in addressing individual student needs between the two campuses.

Major programs and related services provided by the department

Pima County Community Services, Employment and Training (CSET) Department is a division of Pima County's Health and Community Services Administration. CSET operates programs that promote financial stability and economic prosperity through basic assistance, workforce development, and poverty reduction.

The Department works closely with networks of private-sector partners, community-based, faith-based and grassroots organizations in serving the community. Department staff operate out of 10 sites.

In the last fiscal year, 19,861 residents came to CSET sites for services. In their initial visit, residents requested the following:

22% emergency rent/utility assistance

15% resources to seek employment on their own

32% help in finding employment

31% job training or basic education assistance.

Additional residents visited subcontracted agencies throughout the community. The department subcontracts with more than 40 agencies.

Community Services

The Community Action Agency (CAA) combats poverty and provides a safety net of basic services for low-income individuals and families in Pima County. Through its Emergency Services Network (ESN), CAA connects families with immediate utility assistance.

There are three types of programs in the Community Action Agency.

Utility discounts

This program conducts eligibility determination for Pima County's Sewer Outreach Subsidy, Landfill discounts and City of Tucson's Water and Environmental Services discount programs.

Payments made to utilities or landlords to prevent a utility shutoff or an eviction

Major funding programs are Low Income Home Energy Assistance Program (LIHEAP), Community Services Block Grant (CSBG), Federal Emergency Management Agency (FEMA), and Short Term Crisis Services/Temporary Assistance to Families (STCS/TANF). Assistance is for income eligible households whose crisis can be resolved by a one-time intervention. Assistance is only available to a household once a year.

Community Services Grants

Small grants help community agencies provide resources such as minor home repairs, food boxes, and meals for homebound seniors. Funding for these grants comes from the Community Services Block Grant program.

Employment and Training

Business Services

The Business Services Team provides support to employer recruitment efforts. Over 700 different local employers hire One Stop clients each year.

The team brings job leads to the public workforce system, provides workforce professionals with information regarding occupational hiring trends, and interviews and surveys employers to understand more immediate needs. Some employers request specialized services such as assessment and screening, space for interviews, hiring events, and assistance to develop needed training.

The Team works with industry sectors, employer groups, and training providers to help design new training needed to address workforce shortages in fields such as logistics, manufacturing, and healthcare. The Business team hosts two or three small hiring fairs each week with one or two employers and 20-30 interested candidates. Most hiring fairs are held at one of the two comprehensive One Stop Centers, the Veterans' Workforce Center, or the Youth Employment Center.

The team also provides Rapid Response services to businesses and employees during a reduction in force. This includes helping the employers' management staff understand best practices in the process of staff reductions and on-site visits with affected employees to provide intake, assessment and other direct services, depending on agreements with the employer.

Adult Workforce Programs

Any job seeker impacted by a layoff through the Rapid Response process just discussed is known as a Dislocated Worker. They, or anyone else, can walk into a One Stop Center and use the resources to seek a job. The Dislocated Worker program is part of the Workforce Innovation and Opportunity Act (WIOA).

County receives funds for dislocated workers, low-income adults, disconnected youth, and a mandate to operate a One Stop system and center through WIOA. (The One Stop system was rebranded as ARIZONA@WORK by the State of Arizona and America's Job Centers by the U.S. Department of Labor).

Beyond basic self-help services, low-income adults and dislocated workers can apply for assessment, job search workshops, resume assistance, case management, and assistance with occupational skills training. About half the funds are spent on job training. In addition to two comprehensive One Stops, there are four specialized sites designed to help certain populations.

The *Kino Veterans' Workforce Center* helps veterans translate skills sets into civilian language, look at various training options, identify resources to fund training, and receive job referrals.

Sullivan Jackson Employment Center for the Homeless stabilizes housing before helping the homeless person find a job.

Persons functioning at a low level of reading or math are placed at the *Lindsey Learning Center*, contracted providers, or Adult Basic Education to upgrade their skills enough for training or a job, depending on need, learning style, and time constraints.

Recently, CSET began a grant-funded collaboration with the *Sheriff's Department* that places a staff person full-time at the jail to help inmates prepare job applications so they can start working upon release or soon after.

A unique part of the CSET system is a Faith Based Coordinator who works with local congregations to make them aware of career and community resources and help identify who may be eligible for CSET services.

Faith based and other CSET programs are working with the new Ending Poverty Now initiative that helps people break the poverty cycle. This initiative treats poverty as an economic development issue. Current emphasis is on the development of Employer Resource Networks to improve employee retention, and Getting Ahead workshops, which help people in poverty design a road map forward. Research has shown that Getting Ahead workshops are particularly effective with the young adult population.

The Emerging Workforce

Summer Youth

The Pima County Summer Youth Internship program consists of a four-week paid experience for youth to receive employability skills training and placement in jobs within county government and community-based organizations. Regional Wastewater Reclamation Department contributes funds to the program. The Department of Transportation operates a sister summer youth employment program.

The Courts 'R Us program, which provides youth work experience in the legal system, will be 25 years old this summer. The program matches youth ages 17 to 21 with judges and lawyers who provide job shadowing, mentoring, and internships at Arizona Superior Court in Pima County, Pima County Justice Court, Tucson City Court, law firms and other justice-system sites. The experience culminates in a mock trial in which the youth participants prepare for and carry out all the roles in the courtroom.

This year's summer offerings are supplemented with two grant-funded programs. One is for youth in high school who will receive work experience in security and first responder related jobs. The other is the Youth Career Connect grant, which places youth into jobs in manufacturing, aviation, and biotechnology. (These grants are limited to youth in specific schools and have eligibility criteria).

In addition, CSET contracts with community-based organizations identified through a competitive process to provide additional work and education opportunities for youth. Basic education is offered to those behind in school. Many work experience sites provided through these agencies are in the private sector.

Community based organizations are also part of the effort to connect "disconnected" youth with employment and training opportunities. CSET operates three youth development programs: Las Artes, Pima Vocational High School (PVHS) and the federal Workforce Innovations and Opportunity Act (WIOA) program.

Las Artes offers a unique learning environment for youth ages 17-22. Structured classroom study combined with community art projects allow students to prepare for high school equivalency (HSE or GED®) testing and build employability skills by participating in community art projects. Students complete basic education courses and an eight-week community art project in a small-class, personal-attention environment where students are encouraged to learn and excel. The entire program takes up to thirty-two weeks if a student enters at Level I. Class runs thirty hours per week and students are required to participate daily. Students learn team building and punctuality, and gain self-confidence through community involvement. Mosaic murals created by Las Artes students beautify neighborhoods throughout Pima County and give students a sense of pride and accomplishment.

Pima Vocational High School provides a path to an Arizona High School Diploma plus sustainable employment for youth ages 16-21 who have multiple barriers to employment, including homelessness, disability, substance

addiction and past trauma, to complete this key educational milestone. The school offers opportunities for securing a sustainable job through on-the-job training, completion of a vocational curriculum, and classes in applied academic basic skills. Participants receive on-site support services and case management to help them cope with issues that can affect their chances of success.

The school has two campuses: South Campus, 175 W. Irvington Road (relocated from 97 E. Congress Street in 2016) and Northwest Campus, 5025 W. Ina Road. Each site serves 50 to 75 students in class sizes of no more than 15 students at one time.

The Youth Employment Center (YEC) is the headquarters for the federally funded *WIOA Out-of-School program*, which helps disconnected youth ages 16-24 obtain GEDs, connect with job training, and overcome barriers in preparation for entry into a career pathway. The program has strict eligibility criteria. Each youth receives a service plan with short-term employment and long-term career objectives. Support includes tuition, work experience, bus passes for transportation, and books and tools for training and work. Financial assistance workshops encourage youth to understand the value and use of money. Entrepreneurial training is available for those thinking of starting a business, or those who may go into an occupation that has a high level of self-employment. Six community-based organizations provide services under this program.

Major costs of providing programs and related services by the department

Many grants come with a required database for tracking clients. Databases do not talk to each other, so CSET and ITD have developed and maintained Pima County's own database to track and aggregate overall program numbers.

CSET pursues discretionary funds in conjunction with the new Grants Office. Discretionary grants do not replace existing programs, but rather enhance the program by allowing us to experiment with new activities or concentrate on specific populations or industry sectors. Some granting agencies are funding regional grants. CSET has successfully obtained several large grants for Southern Arizona.

CSET has revenue grants with the following contract years: October to September, November to October, April to March, and May to April as well as others that coincide with the County's fiscal year.

Monitoring program performance, including that of contractors, helps management and funders identify trends in populations served and methods to serve them better.

Major departmental budget issues the department is facing in FY 2017/18

Minimum Wage—the significant increase in the minimum wage affected the summer youth program. Staff responded by surveying worksites and found that many would be willing to reduce hours for youth. The subcontracted portion of the summer program includes a basic education component where youth receive a small stipend rather than a wage, so we shifted some resources to the basic education. Staff also began discussing other potential activities for our emerging workforce, and we will explore these options after the 2017 summer program ends.

LIHEAP—Until now CSET has operated the Low Income Home Energy Assistance Program for Pima County outside the City of Tucson, and Tucson Urban League has operated this program in the City of Tucson. The League decided to withdraw from administration of the program and the State asked County to assume the program.

Faster growth in Maricopa County compared to Pima County's growth has reduced Pima's potential share of federal formula grants.

The Workforce Innovation and Opportunity Act shifted youth funding to Out of School Youth, resulting in less federal funding for preparing low-income In-School Youth for high school completion and preparation for the world of work.

Federal budget discussions may result in changing emphasis of future grants. These create opportunities for us to work with community agencies to provide solutions to problems and develop new initiatives to help prepare the future workforce and support the safety net for vulnerable populations.

Discussion of any requests for supplemental funding over and above the base budget amount

N/A

Discussion of various issues related to FY 2017/18 budgets administered by the department including Main Operating Budget, Special Program Budgets, Grants Program Budgets, Capital Improvement Program Budgets and Internal Service Funds Budgets.

At the time we prepared budgets we did not know what our formula grant allocations would be. We worked with the Finance Department's Grants Management Division to develop estimates in the grant budget for grants that we may get.