

BOARD OF COUNTY COMMISSIONERS

DATE: June 18, 2013

AGENDA ITEM NO. 5

Consent Agenda ☒

Regular Agenda ☐

Public Hearing ☐

County Administrator's Signature:

Subject:

Approval of the WorkNet Pinellas, Inc. (WorkNet) 2013-2014 Program Year (PY) Budget

Department:

County Administrator's Office

Staff Member Responsible:

Mark Woodard, Assistant County Administrator

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) APPROVE THE PY 2013 – 2014 ANNUAL BUDGET OF WORKNET PURSUANT TO THE INTERLOCAL AGREEMENT BETWEEN WORKNET AND PINELLAS COUNTY.

Summary Explanation/Background:

On September 20, 2005, the Board approved the revised Interlocal Agreement between Pinellas County and WorkNet. The Interlocal Agreement specifies that as the Chief Elected Official under the Workforce Investment Act, the Board shall "exercise approval authority, which will not be unreasonably withheld over the budget adopted by WorkNet". On June 5, 2013, the WorkNet Executive Committee approved its PY 2013-2014 Budget Plan. Pursuant to the Interlocal Agreement, WorkNet has prepared and submitted its annual budget for Board approval.

Fiscal Impact/Cost/Revenue Summary:

WorkNet is fully funded by state and federal grants. No County property taxes are used.

Exhibits/Attachments Attached:

WorkNet PY 2013-2014 Budget
Revenue Budget Comparison Program Years 2010 - 2014
2005 Interlocal Agreement

**WORKNET
WORKNET BUDGET
(July 2013-June 2014)**

	WF Investment Act Programs	Employ. Services Programs	Welfare Trans. Programs	Direct Grants & Special Projects	Total WorkNet Planning Budget PY July 13 - June 14	WorkNet Budget PY July 12- June 13	WorkNet Pinellas Budget Increase (Decrease) PY 12-13 VS PY 13-14
REVENUE							
PY 2013 CONTRACTS	7,226,957	1,093,443	3,628,352	2,552,000	14,500,752	17,213,521	(2,712,769)
CARRYFORWARD	450,000	-	-	483,669	933,669	1,447,576	(513,907)
TOTAL REVENUE	7,676,957	1,093,443	3,628,352	3,035,669	15,434,421	18,661,097	(3,226,676)
EXPENDITURES:							
ADMIN AVAILABLE							
ADMIN PERCENT	10.0%	10.0%	8.7%	10.0%	9.7%	9.9%	-0.2%
TOTAL ADMIN AVAILABLE	767,696	109,344	315,636	303,567	1,496,243	1,840,546	(344,303)
WORKNET PINELLAS ADMIN	299,305	104,077	141,196	118,903	663,481	856,140	(192,659)
PROJECTED EXPEND	299,305	104,077	141,196	118,903	663,481	856,140	(192,659)
TOTAL ADMIN % FUNDS AVAIL	3.90%	9.52%	3.89%	3.92%	4.30%	4.59%	-0.29%
BALANCE AVAIL XFER TO PROG SVC	468,391	5,267	174,440	184,664	832,762	984,406	(151,644)
PROGRAM SERVICES:							
SERVICE PROVIDER CONTRACTS:							
Business Services	762,496	250,766	295,348	220,314	1,528,924	1,500,000	28,924
Resource Room Services	107,480	-	-	302,995	410,475	408,000	2,475
Case Management	537,007	173,247	1,115,719	-	1,825,973	2,275,000	(449,027)
Participant	2,200,000	-	325,000	-	2,525,000	3,675,000	(1,150,000)
Pinellas Education Foundation							
Older Youth	225,000	-	-	-	225,000	340,000	(115,000)
Older Youth Participant	375,000	-	10,000	-	385,000	375,000	10,000
Younger Youth	150,000	-	-	-	150,000	250,000	(100,000)
Younger Youth Participant	150,000	-	-	-	150,000	250,000	(100,000)
Junior Achievement	125,000	-	-	70,000	195,000	325,000	(130,000)
Pinellas Tech Ed Center	-	-	-	-	-	62,141	(62,141)
BayCare Health Systems	-	-	-	950,000	950,000	950,000	-
Pinellas County Urban League	-	-	-	-	-	17,850	(17,850)
National Disability Institute	200,000	-	-	-	200,000	95,000	105,000
Hillsborough Community College	-	-	-	-	-	182,941	(182,941)
St Petersburg College	-	-	-	300,000	300,000	300,000	-
Gulf Coast - NCEP	-	-	1,270,000	-	1,270,000	665,000	605,000
SUB TOTAL SERVICE PROVIDER	4,831,983	424,013	3,016,067	1,843,309	10,115,372	11,670,932	(1,555,560)
WORKNET SUPPORT SERVICES;							
WORKNET PROGRAM SUPPORT	484,224	168,378	228,430	192,364	1,073,396	1,307,721	(234,325)
WORKNET PROGRAM COORDINATOR	-	-	-	60,000	60,000	457,000	(397,000)
DEO STAFF TRAVEL	-	10,800	-	-	10,800	10,800	-
ONE STOP CENTER OPERATING	171,980	162,489	132,235	133,296	600,000	700,000	(100,000)
MIS/TECHNOLOGY	65,926	62,287	50,690	51,097	230,000	377,601	(147,601)
COMMUNITY OUTREACH	42,995	90,622	33,059	33,324	200,000	300,000	(100,000)
EMPLOYED WORKER TRAINING	700,000	-	-	-	700,000	850,000	(150,000)
SUBSIDIZED EMPLOYMENT	975,000	-	-	40,000	1,015,000	1,170,000	(155,000)
TRAINING INCENTIVES/TRAINING	-	-	-	558,000	558,000	508,000	50,000
ONE STOP STAFF TRAINING	5,733	5,416	4,408	4,443	20,000	40,000	(20,000)
SUB TOTAL WORKNET SUPP SVCS	2,445,858	499,992	448,822	1,072,524	4,467,196	5,721,122	(1,253,926)
TOTAL DIRECT CLIENT	7,277,841	924,005	3,464,889	2,915,833	14,582,568	17,392,054	(2,809,486)
EXCESS	99,811	65,361	22,267	933	188,372	412,903	(224,531)

WorkNet Pinellas, Inc
Revenue Budget Comparison
Fiscal Year '10 - Fiscal Year '14

Program Years	Total Revenue Budget	Total Recurring Budget	Total One Time Budget	Total Other Revenue Budget	Total Carryforward Budget
July 13 - June 14	15,434,421	12,398,752	3,035,669	-	1,447,576
July 12 - June 13	17,326,066	14,094,066	3,232,000	-	532,189
July 11 - June 12	18,230,574	14,645,820	3,584,754	-	1,475,941
July 10 - June 11	28,130,707	11,559,207	15,371,500	1,200,000	12,873,500
July 09 - June 10	16,406,393	10,096,393	6,220,000	90,000	753,054

Notes:

Recurring Budget consists of formula funds allocated annually to each of the Regional Workforce Boards. These are federal funds passed through the State of Florida

One Time Budget consists of grants received for targeted projects, performance incentive awards, additional funds provided by the State of Florida that are not recurring.

Carryforward budget consists of funds for projects that extend beyond the end of the fiscal year.

INTERLOCAL AGREEMENT
between
PINELLAS COUNTY, FLORIDA
and
WORKNET PINELLAS, INC.

This Agreement is made and entered into as of the 27th day of September 2005 ("Effective Date") by and between Pinellas County, a political subdivision of the State of Florida, hereinafter referred to as the "County", and WorkNet Pinellas, Inc., a Florida nonprofit corporation, in its capacity as the Region 14 workforce board created and existing under Chapter 445, Florida Statutes, hereinafter referred to as "WorkNet".

WITNESSETH:

WHEREAS, the Workforce Investment Act of 1998, Public Law 105-220 ("WIA") authorizes expenditures of federal funds for workforce development programs in areas of the state designated by the Governor as a Workforce Development Region; and

WHEREAS, Chapter 445, Florida Statutes, "the Workforce Innovation Act of 2000" ("Workforce Innovation Act") further delineates the roles and responsibilities of all parties in the expenditure of federal funds for workforce development programs in such designated areas; and

WHEREAS, Pinellas County, Florida has been designated by the Governor of the State of Florida as a Workforce Development Region; and

WHEREAS, the WIA and Workforce Innovation Act require the chief local elected officials of each designated Workforce Development Region to establish a regional workforce development board; and

WHEREAS, WorkNet has requested and received certification as the Region 14 Workforce Development Board by Workforce Florida, Inc., the State of Florida Workforce Development Board; and

WHEREAS, the County and WorkNet previously entered into an Interlocal Agreement dated June 18, 2004 defining their respective duties and responsibilities ("Original Interlocal"); and

WHEREAS, the County and WorkNet desire to revise the terms of the Original Interlocal to define the scope of their relationship and their respective duties and responsibilities for the administration and operation of workforce programs within the Region 14 Workforce Region, as provided herein.

NOW THEREFORE, IN CONSIDERATION OF THE ABOVE AND THE MUTUAL COVENANTS HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Purpose:

The purpose of this agreement is to establish and maintain a partnership to carry out the requirements of the WIA, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), Workforce Innovation Act, applicable federal, state and local regulations including OMB circulars and future state and federal workforce initiatives and laws (together the "Acts").

2. Development of the Two Year Workforce Investment Act Plan:

Pursuant to the WIA and in accordance with the requirements established by the Governor of the State of Florida, WorkNet shall develop the Two Year Workforce Investment Act Plan and other plans, as required, and shall present said plans to the County for review and approval. Upon approval and execution of the plans by the County when required by the Acts, acting through the County Commission, or its designees, the plans will be submitted to the proper funding authorities by WorkNet.

3 Duties and Responsibilities of WorkNet:

The County hereby designates WorkNet as the local subgrant recipient and local fiscal agent for all WIA and workforce development programs operating within the Region 14 Workforce Region (the "Program"). In that capacity, WorkNet shall act as its own administrative entity, and be responsible for all Program activities as required by the Acts, including and/or subject to the following:

A. WorkNet shall employ personnel to carry out the effective and efficient operation of the Program and to provide necessary technical assistance to WorkNet, acting in partnership with the County as provided herein;

B. WorkNet shall organize and train such staff as necessary to conduct the functions and operations of WorkNet as provided herein;

C. WorkNet, through the actions of said personnel, as authorized, approved or directed by the WorkNet Board of Directors, shall:

1. Prepare planning documents required by applicable state and federal law and, after any required approval by the County, submit them to the appropriate funding authorities for approval;
2. Prepare and submit for approval by the County, an annual budget for the proper expenditure of all funds allocated to WorkNet;
3. Direct the receipt and expenditure of funds in accordance with the Acts, this Agreement, approved local plans and budget, and/or all applicable Federal, State or Local Laws;
4. Execute contracts, subgrants and other agreements necessary to carry out the programs authorized by the Acts, including making the designation of the One Stop Operator, selecting and designating youth service providers, identifying eligible providers of adult and dislocated worker intensive and training services, and maintaining a list of those providers with performance and cost information;
5. Reach agreement with the Governor on local performance measures;

6. Recommend policy and develop program procedures for program management, planning, operation, evaluation and other necessary functions;
7. Evaluate program performance and determine whether there is a need to reallocate program resources and to modify the grant agreement with the State of Florida;
8. Establish and maintain such committees as determined by the WorkNet Board of Directors;
9. Establish and maintain in force agreements with each of the required local One Stop Partner agencies;
10. As the fiscal agent, collect, account for, invest and expend Program income generated by Program activities pursuant to the Acts and State of Florida requirements and approved WorkNet bylaws, procurement policies, finance and accounting policies and cash management policies;
11. Conduct oversight with respect to activities, programs and expenditures under WIA and such other federal programs that assign responsibility for oversight over programs, activities and expenditures. Oversight shall include monitoring related to administrative costs, duplicated services, career counseling, economic development, equal access, compliance and accountability, and performance outcomes.
12. Enforce all agreements and take action against any subrecipient or vendor for abuse in the programs in order to protect the funds and the integrity of the program, subject to final approval or ratification by the Audit Committee and the WorkNet Board of Directors;
13. Assist the Governor in establishing the Statewide Employment Statistics system;
14. Coordinate workforce investment activities with economic development strategies and developing employer linkages;
15. Promote private sector involvement in the statewide workforce investment system through effective brokering, connecting and coaching activities through intermediaries in the local area or through other organizations to assist employers in meeting hiring needs;
16. Develop and administer a system to hear and resolve all grievances or complaints filed by participants, subcontractors or other interested parties as required by the Acts, Regulations or State Laws, subject to approval by the County.

17. Perform any other functions as necessary or appropriate to meet its responsibility for the operation of the Program;

D. WorkNet shall have authority to seek, compete for and secure other sources of funding consistent with and in accordance with its purpose and for such other purposes as WorkNet may deem appropriate and necessary.

E. WorkNet shall perform or cause to have performed internal audits and monitoring of all funds as required by the Acts and in accordance with the provisions of paragraph 6(c) herein; shall satisfactorily resolve any questions or problems arising from said audits and monitoring; and present audit and monitoring findings directly to the Audit Committee.

F. WorkNet shall adopt such procedures to ensure compliance with applicable conflict of interest and public meetings laws. Members of the WorkNet Board of Directors shall ensure there is no conflict of interest in the actions of the WorkNet Board or its members with respect to all activities by complying with all disclosure, conflict of interest statutes, and other regulations and guidelines, as well as complying with all public meeting requirements, notifications and restrictions as prescribed by law.

G. In order to exercise its independent Program oversight, WorkNet shall not be a direct provider of any participant services.

H. WorkNet shall promote and solicit participation by the business community in the Program in order to maximize services to eligible residents of the area.

I. WorkNet shall collect or have collected appropriate labor market information to determine business and industry needs for specific job categories in Pinellas County.

J. WorkNet shall approve, in conjunction with the County, all plans as may be required under the Wagner Peyser (employment services) Act.

K. WorkNet shall exert every reasonable and necessary effort to resolve disagreements between WorkNet and the County.

L. WorkNet shall comply with all the filing and other requirements mandated by the Florida not-for-profit corporation statutes, and applicable IRS regulations and filings.

M. WorkNet shall complete and submit all assurances and certifications as required by the funding sources.

4. Duties and Responsibilities of the County:

The Board of County Commissioners is designated as the Chief Elected Official under the WIA, and in the capacity as the local grant recipient shall have the following duties and responsibilities:

A. Appoint and reappoint members to the WorkNet Board of Directors in a timely manner so as to maintain the minimum number of members required by WorkNet's bylaws and as provided in the WIA.

B. Consult from time to time on a continuing basis with WorkNet as either party requests.

C. Exercise approval authority, which will not be unreasonably withheld over the budget adopted by WorkNet.

D. Provide such Program oversight to ensure the effective and efficient delivery of all services as provided for in accordance with this Agreement, WorkNet's approved plans, and as defined in the WIA.

E. Review, make recommendations, and approve, in its reasonable discretion, all plans as may be required under the Wagner Peyser Act.

F. Take prompt corrective action as it determines appropriate in its reasonable discretion when necessary to comply with the Acts, or to assure that performance standards are met.

G. Ensure, in accordance with the plans and any other agreements with WorkNet, that adequate administration and management is provided for all funds and programs handled by WorkNet including, but not limited to, such activities as receipts and disbursement of funds, monitoring, evaluation and contracting.

H. Exert every necessary and reasonable effort to resolve disagreements between WorkNet and the County.

I. Appoint one of its members (a County Commissioner) to serve as a member of, and Second Vice-Chair, of the WorkNet Board of Directors.

6. Financial Responsibility for the Program:

As provided in the WIA, the Board of County Commissioners of the County, as the Chief Elected Official, is not relieved of the liability for the misuse of grant funds by the designation of WorkNet as subgrantee and fiscal agent as provided herein, as authorized by the WIA, and WorkNet agrees to the following, in order to provide assurances to and protection for the Chief Elected Official as to sound fiscal management of the Program in compliance with the Acts:

A. Indemnification. Unless determined to be contrary to applicable law, WorkNet shall indemnify, pay the cost of defense, including attorneys' fees, and hold harmless the County, its officials and employees from all suits, actions or claims of any character brought on account of any injuries or damages received or sustained by any person, persons or property by or from WorkNet, its agents or employees; or by, or in consequence of any act or omission, neglect or misconduct in the performance of this Agreement; or on account of any act or omission, neglect

or misconduct of WorkNet, its agents or employees; or by, or on account of, any claim or amounts recovered under the "Workers' Compensation Law" or of any other laws, by-laws, ordinance, order or decree, except only such injury or damage as shall have been occasioned by the sole negligence of the County.

B. Insurance and Bond Requirements.

WorkNet shall provide and comply with the insurance and bond requirements attached hereto and incorporated by reference herein as Exhibit A.

C. Audit Committee. An Audit Committee shall be established consisting of representatives of WorkNet and Pinellas County. The Audit Committee shall be responsible for (i) arranging and procuring the annual audit of any and all programs operated by WorkNet in compliance with OMB circular A-133, including selection of the audit firm and approving annual audit plans; (ii) arranging and procuring performance audits as determined by the Audit Committee; (iii) conducting monitoring of activities, programs and expenditures under the WIA and such other programs of WorkNet as determined by the Audit Committee; and (iv) completing such other interim or annual reviews and reports, whether conducted by an audit firm, entities expert in evaluation and/or monitoring of programs of WorkNet, or County staff, as determined by the Audit Committee. The Audit Committee shall consist of the County Commissioner serving as Second Vice Chair on the WorkNet Board, an Assistant County Administrator, one at large county staff person, WorkNet's Finance Committee Chair, and WorkNet's Executive Director. The County Administrator will select the Assistant County Administrator and the at-large county staff person to serve on the committee. WorkNet's Finance Director shall serve as staff to the Audit Committee. WorkNet shall be solely

responsible for all costs, fees or expenses incurred in conducting any audits, reviews or monitoring required by the Audit Committee.

D. Disallowed Cost Liability. In the event WorkNet is found responsible for any disallowed costs, through whatever means, WorkNet and the County will mutually work to resolve all such disallowed costs. In the event that repayment of funds is demanded by the funding source, WorkNet will have first responsibility for repayment, through its insurance, bonds, grant or nongrant funds as allowed by the Acts. If WorkNet's insurance, bonds, grant or nongrant funds are insufficient for the demanded repayment, then any repayment obligation shall be determined as provided by the Acts.

E. Additional Financial Assurances. During the term hereof, in addition to any other remedies provided by law, the Acts, or in this Agreement, in the event the County reasonably determines that additional financial or performance assurances are necessary to protect the interests of the County, as the Chief Elected Official, after written notice to WorkNet, the County may: (i) require WorkNet to withhold payments from its designated one stop operator(s) or service providers; (ii) require that all contracts, and payments thereon, provide for the retainage of a portion of payments due; (iii) make any appearances in any proceedings or conduct any reviews or examinations the County reasonably deems necessary; or (iv) post such security, as the County reasonably deems necessary, for the performance of any obligations as provided in the Acts or this Agreement.

7. Term and Termination:

A. Term. The term of this Agreement shall commence on the Effective Date or the filing of this Interlocal Agreement as provided in paragraph 12 herein, whichever occurs last, and

continue through June 30, 2007, unless otherwise terminated as provided herein. Thereafter, this Agreement shall automatically renew for additional one year terms commencing on July 1 and ending in June 30, unless either party provides written notice of its intent not to renew on or before March 1 of any extension period.

B. Termination for Convenience. Either Party may terminate this Agreement, without cause, by giving one hundred fifty (150) days prior written notice of the termination hereof pursuant to this provision.

C. Termination on Default.

1. Each of the following shall constitute an Event of Default:

(a) The failure or refusal by either party to substantially fulfill any of its obligations in accordance with this Agreement, provided, however, that no such default shall constitute an Event of Default unless and until the nondefaulting party has given prior written notice specifying that a default or defaults exist which will, unless corrected, constitute a material breach of this Agreement, and the defaulting party has either corrected such default or has not cured the defaults, as determined by the nondefaulting party to correct the same within thirty (30) days from the date of such notice;

(b) the written admission by WorkNet that it is bankrupt, or the filing by a voluntary petition as such under the Federal Bankruptcy Act, or the consent by WorkNet to the appointment by a court of a receiver or trustee or the making by Contractor of any arrangement with or for the benefit of its creditors involving an assignment to a trustee, receiver or similar

fiduciary regardless of how designated, of all or a substantial portion of Contractor's property or business, or the dissolution or revocation of WorkNet's corporate charter.

2. Upon the occurrence of an Event of Default, the nondefaulting party shall have the right to immediately terminate this Agreement upon written notice to the party in default.

D. Fiscal Nonfunding. In the event that sufficient budgeted funds are not available for a new fiscal period, the County shall notify WorkNet of such occurrence and the Agreement shall terminate on the last day of the current fiscal period without penalty or expense to the County.

8. **Notice:**

Except as otherwise provided in this Agreement, any notice required or permitted to be given hereunder shall be delivered personally or sent by mail with postage pre-paid to the following addresses or to such other places as may be designated by the parties hereto from time to time.

For WorkNet:

Ed Peachey
Executive Director
4525 140th Avenue N., Suite 906
Clearwater, FL 33762

For the County:

Stephen M. Spratt
County Administrator
315 Court Street – 6th Floor
Clearwater, FL 33756

9. **Merger:**

It is understood and agreed that the entire Agreement between the parties is contained herein and that this Agreement supersedes any and all oral agreements and/or negotiations between the parties relating to the subject matter thereof. All items referred to in this Agreement are incorporated or attached and deemed to be a part of this Agreement.

10. **Modification:**

This Agreement may be modified by the mutual consent of the parties thereto, in any lawful manner and consistent with the Acts, Regulations or any rule promulgated thereto.

11. **Resolution of Disagreements:**

A. To facilitate the timely and effective resolution of any controversy or dispute that may arise under this Agreement, the Chairman of WorkNet and the County Administrator shall undertake negotiations to resolve the matter. To the extent the controversy or dispute cannot, after good faith effort, be resolved either party may refer the matter to non-binding mediation to be held within Pinellas County, Florida. The dispute will be mediated by a mediator chosen jointly by WorkNet and County within thirty (30) days after written notice demanding non-binding mediation by either party. Neither party may unreasonably withhold consent to the selection of a mediator, and WorkNet and County will share the cost of the mediation equally. The parties may also, by mutual agreement, replace mediation with some other form of non-binding alternate dispute resolution ("ADR") procedure.

B. In the event that any claim, dispute or demand cannot be resolved between the parties through negotiation or mediation as provided herein within 60 days after the date of the initial demand for non-binding mediation, then either party may pursue any remedies as provided by law.

12. **Independence of Terms:**

In the event any terms or provisions of this Agreement or the application to any of the parties hereto, person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provision to the parties hereto, persons or circumstances other than those as to which it held invalid or unenforceable, shall not

be affected thereby and every other term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by the Acts.

13. **Filing of Agreement:**

This Agreement shall be filed with the Clerk of the Circuit Court as required by Sec. 163.01(11) Florida Statutes.

14. **Termination of Original Interlocal:**


This Agreement supersedes all prior agreements between the parties, and said prior agreements, including the Original Interlocal between the parties are hereby terminated.

<SIGNATURE PAGE FOLLOWS>

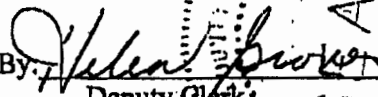
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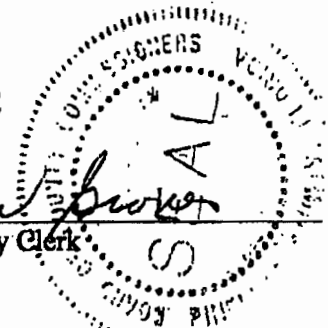
By: 
Title: Chairperson

PINELLAS COUNTY, a political
subdivision of the State of Florida, by and
through its Board of County Commissioners

By: 
Chairman

ATTEST:
KEN BURKE

By: 
Deputy Clerk



APPROVED AS TO FORM
SUBJECT TO PROPER EXECUTION:


OFFICE OF THE COUNTY ATTORNEY

APPROVED AS TO FORM:


OFFICE OF THE COUNTY ATTORNEY