

**CALIFORNIA COMMUNITY COLLEGES
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August 25, 2016

To: Regional Consortium Chairs

From: Matt Roberts, Ed.D. Dean of Field Operations
Workforce and Economic Development Division

Subject: Guidance on use of funds for strong workforce program

This memorandum provides guidance on the use of funds for the strong workforce program.

August 24, 2016 – Scope of Work

Roles and Responsibility

Regional Share Fiscal Agent

The fiscal agent has no authority over decisions on the use of funding, rather the fiscal agent role is to dispense, monitor and audit sub-grants once spending decisions have been authorized by the CTE Regional Consortia as stipulated in Strong Workforce legislation. The district designated as the fiscal agent shall perform the following roles and responsibilities:

- Provide a single-point of contact to act as an embedded member of the CTE Regional Consortium (RC) Team to account for financial operation and control associated with the Regional Share.
- Review sub-awardee applications for compliance with grant terms and requirements. Work with sub-awardees to resolve issues that arise.
- Review sub-award application budgets to ensure that expenditures are allowable under the grant terms and conditions, are properly classified, and that the calculations are correct. Work with sub-awardees to resolve any issues that arise.
- Develop policies, procedures, systems and timelines for disbursement of funds.
- Determine the documentation required to ensure funds are properly accounted for
- Develop systems to track each of the contracts/grants and their status that can be shared with the RCs, the CCCCCO grant monitors, and sub-awardees.
- Develop sub-award agreements with each of the sub-awardees that incorporate the contracting requirements of the CCCCCO and the Fiscal Agent.
- Provide information, guidelines and technical assistance to sub-awardees.
- Manage the flow of funds to sub-awardees by receiving, reviewing and approving claims for funds and ensure that proper documentation has been received to verify that what was requested conforms to what was approved when discrepancies occur.
- Issue payments and verify that payments have been received.
- Fulfill reporting requirements by receiving and monitoring quarterly reports and final reports from the sub-awardees.
- Follow-up on missing or incorrect reports. Work with sub-awardees to resolve issues.
- Consolidate reports and report up to the RC/CCCCO as required and upon request.
- Conduct sub-recipient monitoring and audits, in accordance with grant requirements and OMB Uniform Guidelines.
- Field questions on allowable expenditures in accordance with any CCCCCO guidance
- Review sub-awardees' requests for approval of contracts and sub-agreements, prior to forwarding requests to CCCCCO for final approval. Provide guidance and direction to the colleges to ensure compliance and facilitate CCCCCO review and approval, as needed.
- Collaborate with RCs to standardize Strong Workforce related fiscal related and reporting processes, procedures and to develop recommendations and responses to CCCCCO.

Expanded Regionalized Coordination:

The chart below shows a regional model funding breakdown that includes the following sources: Perkins 1b and the regional share allocation. Under this model, the CTE Regional Consortia shall use 5% of the regional share allocation for basic operations of the CTE Regional Consortia capacity including any fiscal agency costs. 2% of the 5% regional share operational amount will cover the fiscal agency costs (with amounts adjusted to a maximum of \$200,000 and a minimum of \$100,000. This adjustment affects Regions B, D, & G1). The remaining 3% is then leveraged with the Perkins 1b funds, and becomes the total funds available for RC basic operations and key talent expenditures. These amounts are represented in the last column of the chart.

Region	Region	Perkins 1B Leadership	Regional Share	From Regional Share 5%	Fiscal Agent Costs 2%	FA Minimum \$ 100,000.00	FA Maximum \$200,000.00	Allowable Fiscal Agent Costs*	Regional Share Available for RC Infrastructure	Total Funds for RC
A	Northern Inland, Northern Coastal, Greater Sacramento	\$ 370,000.00	\$ 6,970,845.00	\$ 348,542.25	\$ 139,416.90	\$ 100,000.00	\$200,000.00	\$ 139,416.90	\$ 209,125.35	\$ 579,125.35
B	SF/San Mateo, East Bay, Silicon Valley, North Bay, Santa Cruz/Monterey	\$ 370,000.00	\$ 16,675,900.00	\$ 833,795.00	\$ 333,518.00	\$ 100,000.00	\$200,000.00	\$ 200,000.00	\$ 633,795.00	\$ 1,003,795.00
C	Central Valley, Mother lode	\$ 300,000.00	\$ 7,779,382.00	\$ 388,969.10	\$ 155,587.64	\$ 100,000.00	\$200,000.00	\$ 155,587.64	\$ 233,381.46	\$ 533,381.46
D	South Central Coast	\$ 220,000.00	\$ 4,227,548.00	\$ 211,377.40	\$ 84,550.96	\$ 100,000.00	\$200,000.00	\$ 100,000.00	\$ 111,377.40	\$ 331,377.40
E	San Diego & Imperial	\$ 220,000.00	\$ 6,604,171.00	\$ 330,208.55	\$ 132,083.42	\$ 100,000.00	\$200,000.00	\$ 132,083.42	\$ 198,125.13	\$ 418,125.13
F	Inland Empire & Desert	\$ 220,000.00	\$ 7,703,557.00	\$ 385,177.85	\$ 154,071.14	\$ 100,000.00	\$200,000.00	\$ 154,071.14	\$ 231,106.71	\$ 451,106.71
G1	Los Angeles	\$ 185,000.00	\$ 18,631,147.00	\$ 931,557.35	\$ 372,622.94	\$ 100,000.00	\$200,000.00	\$ 200,000.00	\$ 731,557.35	\$ 916,557.35
G2	Orange County	\$ 185,000.00	\$ 7,407,450.00	\$ 370,372.50	\$ 148,149.00	\$ 100,000.00	\$200,000.00	\$ 148,149.00	\$ 222,223.50	\$ 407,223.50
		\$ 2,070,000.00	\$ 76,000,000.00	\$ 3,800,000.00	\$ 1,520,000.00			\$ 1,229,308.10	\$ 2,570,691.90	\$ 4,640,691.90

* 2% or a ceiling of \$200,000 and a floor of \$100,000

Chart A

Budget Development Guidance/Fiscal Agent fees

As you continue budget development, please consider the following points:

- The total amount taken from the regional share allocation is 5%. Of this amount, the fiscal agency costs shall be capped at 2% (=40% of the 5%) or a maximum of \$200,000 and a minimum of \$100,000 for each region, leaving 3% (=60% of the 5%) to cover regional consortium costs.
- Indirect cannot be taken on any part of the 5% funds. The 2% (with a max of \$200,000 and a min of \$100,000) shall fund the fiscal agent operational costs such as office space, network support, copier use, personnel, etc. The 3% (along with the Perkins 1B allocation) will fund the regional consortium operational costs such as clerical/office staff, travel, meeting facilitation, etc.
- Perkins 1B funds should be used to pay for Key Talent costs, such as the RC salaries. Keep in mind that these funds have a 4% indirect being charged to the each of these grants.
- If 5% of the regional allocation is for fiscal agent and regional consortium costs, and 85% of the regional allocation is for more and better CTE program(s). The remaining 10% covers soft costs associated with Task Force recommendations should not be used to build regional consortium capacity or infrastructure. This percentage should be used for the following:
 - Region-wide outreach to employers with ultimate goal of increasing internships/hires
 - Region-wide outreach to students/parents about CTE options
 - Additional data-related needs
 - Professional development for curriculum approval