

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE: January 4, 2013

TO: Supervisor Patricia Jursik, Chairperson, Economic & Community Development Committee

FROM: Craig Kammholz, Fiscal and Budget Administrator, Department of Administrative Services

SUBJECT: DAS-Fiscal Affairs response to the referral from the Committee on Economic and Community Development for a preliminary report addressing guidelines, the number of jobs created, accountability, and expenditures (thus far) relating to the Milwaukee County's (County) Ready-to-Work Workforce Development Program (Program) agreement with the Wisconsin Regional Training Partnership/Building Industry Group Skilled Trades Employment Program (WRTP/Big Step).

Request

Provided is a report outlining guidelines, the number of jobs created, accountability, and expenditures related to WRTP/Big Step's Program administration pursuant to the referral from the Committee on Economic and Community Development (Committee) relating to File No. 12-986.

2012 Agreement Timeline

The existing agreement between WRTP/Big Step and the County was approved by the Committee on July 23rd, by the full County Board on July 26th, and by the County Executive on August 1st. The agreement was executed August 1, 2012.

Accountability/Guidelines

Based upon DAS-Economic Development staff and WRTP/Big Step staff verbal updates (and subsequent discussion) relating to a proposed agreement for services during the June 18th and July 16th Committee meetings, Committee members expressed the need for accountability, oversight, and reporting requirements. As a result, the agreement was crafted in a way to address these various issues. In particular, the following provisions were included as part of the final executed agreement:

1. WRTP/Big Step is to provide **Quarterly Reports** to the County Board, Office of the Comptroller, and DAS-Economic Development. The reports are to include the following information:
 - a. Participant data
 - b. Narrative data on industry and employer outreach and coordination
 - c. Community Outreach and participation efforts
 - d. Coordination with Milwaukee County in meeting both internal workforce objectives and coordination with economic development-related initiatives
 - e. Identification of the number of individuals served by category of services received

- f. Identify the purposes for which the County funds have been spent during the quarter (including, but not limited to):
 - i. Costs for various programs
 - ii. Personnel costs
 - iii. Other direct expenditures
 - iv. Other indirect expenditures
2. An **Outside Auditor** will be used in order to provide quarterly reviews of WRTP/Big Step's Program performance and compliance reports to the County. This provides an oversight component that will be used to determine whether the quarterly reports are reasonable and accurately reflect the activities and cost expenditures that WRTP/Big Step are reporting.
3. **Access Rights** and **Records/Program Review** requirements allow for the County's Audit Division to review and examine all documents and records related to the agreement as well as have on-site visitation of Program activities.
4. **Administrative Costs** that WRTP/Big Step can charge as part of this agreement, are limited to 15% of the total agreement amount (or \$150,000).
5. Specific **Program Deliverables** are outlined in the agreement's Scope of Services and Work Plan/Timeline.

Program deliverables include the following:

- a. Place 1,000 Milwaukee County residents on a career pathway
- b. Place 500 Milwaukee County residents in employment

Although the existing Agreement specifically defines program deliverables and reporting requirements, staff from DAS-Economic Development, Comptroller Office, and DAS-Fiscal Affairs has met with WRTP/Big Step staff and are in the process of developing a more detailed reporting matrix that will track deliverables and related costs.

6. The County has the **Option to Terminate** the Agreement for violation by WRTP/Big Step. If WRTP/Big Step fails to fulfill its obligations under the agreement in a timely or proper manner, or violates any agreement provisions, the County maintains the right to terminate the agreement by giving thirty (30) days written notice to WRTP/Big Step specifying the violations and the effective date of termination. In the event of termination, WRTP/Big Step will be paid for the work completed effective the date of termination.


Number of Jobs Created

WRTP/Big Step provided 2012 1st quarter (August 1st – November 30th) job information on January 4th, 2013. As of November 30, 2012, WRTP/Big Step reported 547 Milwaukee County residents were served as a result of increased activity through its community referral network, general information orientation sessions, and resource information sessions. Of these 547

Milwaukee County residents, 171 participated and completed career pathways training and 47 were placed in employment with an average hourly rate of \$15.61/hr.

Expenditures

WRTP/Big Step provided 2012 1st quarter (August 1st – November 30th) expenditure information on January 4th, 2013. As of November 30, 2012, WRTP/Big Step reports \$167,678 in Program expenditures.



Craig Kammholz, Fiscal and Budget Administrator

cc: Chris Abele, County Executive
David Bowen, Vice-Chairperson, Economic & Community Development Committee
Michael Mayo, Committee Member, Economic & Community Development Committee
Jim Schmitt, Committee Member, Economic & Community Development Committee
Willie Johnson, Committee Member, Economic & Community Development Committee
John Weishan, Committee Member, Economic & Community Development Committee
Steve Taylor, Committee Member, Economic & Community Development Committee
Amber Moreen, Chief of Staff, County Executive Office
Patrick Farley, Director, Department of Administrative Services
Craig Kammholz, Fiscal & Budget Administrator, Department of Administrative Services
Jessica Janz-McKnight, County Board Research Analyst

Exhibit 1 – Original Referral

**MILWAUKEE COUNTY
INTER-OFFICE MEMORANDUM**

DATE: December 10, 2012

TO: Craig Kammholz, Fiscal and Budget Administrator, Department of Administrative Services
Vincent Masterson, Fiscal and Strategic Asset Coordinator, Department of Administrative Services
Scott Manske, Comptroller

FROM: Janelle M. Jensen, Committee Clerk
Committee on Economic and Community Development

SUBJECT: **File 12-986** - From the Fiscal and Budget Administrator, Department of Administrative Services, requesting authorization to create a County-controlled Workforce Development Trust Fund for unexpended year-end County appropriations designated for services provided by the Wisconsin Regional Training Partnership/Building Industry Group Skilled Trades Employment Program (WRTP/BIGSTEP) and to negotiate an addendum to the existing agreement that includes language establishing a County-controlled Workforce Development Trust Fund. **(Referred to the Committees on Economic and Community Development and Finance, Personnel and Audit)**

The Committee on Economic and Community Development at its meeting on December 10, 2012 considered the subject matter.

Thereafter, Supervisor Schmitt requested a preliminary report from the Department of Administrative Services addressing guidelines, the number of jobs created, accountability and expenditures thus far.

Mr. Manske indicated that a communication would be provided to Committee members this week offering a status update and quarterly reports will address goals, timelines and expenditure information.

A formal report should be provided to the Committee in January 2013.

This memorandum is to serve as a referral to all parties concerned.

Note: If you have previously complied with this request, please disregard.

Janelle M. Jensen

Committee Clerk

Committee on Judiciary, Safety and General Services