

**2010-11 ECONOMIC AND WORKFORCE DEVELOPMENT PROGRAM EXPENDITURE PLAN** **3.6**

***ACTION***

***Presentation:*** José Millan, Vice Chancellor  
*Economic Development and Workforce Preparation*

**Issue**

This item presents the *Economic and Workforce Development Program (Program) Expenditure Plan* for the 2010-11 fiscal year. The *Plan* was reviewed by the Economic and Workforce Development (EWD) Advisory Committee in September and is presented for approval by the Board of Governors in November.

**Background**

When the Legislature passed the 2009-10 State Budget Revisions in July 2009, the Program Budget was reduced to \$22.9 million, plus a one-time backfill of federal ARRA State Stimulus funds of \$2.4 million, for a total of \$25.3 million. In addition, the cut to the Program budget will continue until FY 2012-13, unless other actions are taken.

The *2010-11 EWD Program Expenditure Plan* includes a continuation of most of the strategies and obligations of the *2009-10 Expenditure Plan*. *Appendix I* contains the proposed *2010-11 Expenditure Plan* as well as the current *2009-10 Expenditure Plan*, which includes actual reductions and anticipated ARRA stimulus funds.

On September 14, 2009, the Board of Governors approved its Fiscal Year 2010-11 System Budget Proposal. Included in the Proposal is a request for restoration of all the cuts to categorical funds (including Economic and Workforce Development). Therefore, the proposed *2010-11 Expenditure Plan* assumes the restorations will be included in the Governor's 2010-11 Proposed Budget in January 2010.

On September 29, 2009, the Economic and Workforce Development Program Advisory Committee (EDPAC) reviewed this item and recommended that it be approved by the Board of

Governors. The EDPAC also recommended that staff include in this item a graph showing the change in EWD funding over the past several years. That graph is included as **Appendix II**.

Finally, it is important to know that with the significant budget reductions and the fact that the program falls under the “flexible/categorical” area, we are looking very carefully at restructuring and consolidating the entire EWD program so as to be able to provide a viable program that is eligible for re-authorization in 2013.

### **Recommended Action**

That the Board of Governors approve the *2010-11 Expenditure Plan* as presented.

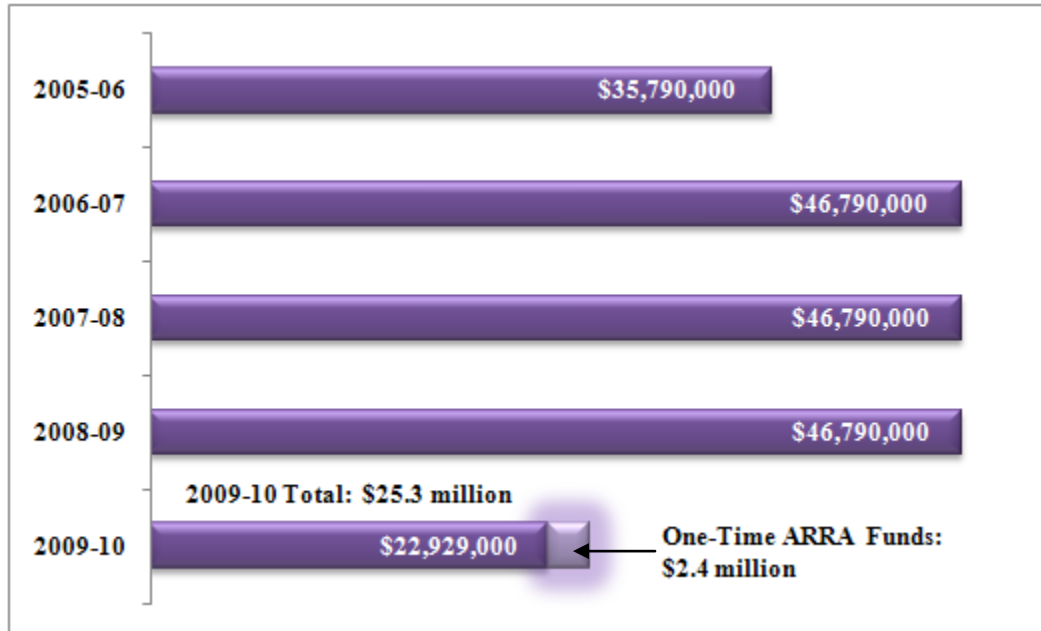
*Staff:    Ray York, Dean  
             Economic and Workforce Development Program*

**APPENDIX I**  
**Economic and Workforce Development Program**  
**2009-10 Actual and 2010-11 Proposed Expenditure Plan**

Project Title	2009-10 Actual Expenditure Plan					Proposed 2010-11 Expenditure Plan		
	Number of Approved Projects	Annual EWD Funding by Project	ARRA Stimulus Funds by Project	Total Amount per Grant	Total Program Funding 2009-10	Number of Approved Projects	Annual Funding by Project	Total Program Funding 2010-11
<b>REGIONAL BUSINESS RESOURCE, ASSISTANCE AND INNOVATION NETWORK CENTERS</b>								
Advanced Transportation Tech/Energy	10	100,463	10,481	110,944	1,109,438	10	205,000	2,050,000
Applied Competitive Technologies	12	100,463	10,481	110,944	1,331,325	12	205,000	2,460,000
Bio-Technologies	6	100,463	10,481	110,944	665,663	6	205,000	1,230,000
Centers of Excellence	10	100,463	10,481	110,944	1,109,438	10	205,000	2,050,000
Environmental Technology	6	100,463	10,481	110,944	665,663	6	205,000	1,230,000
Health Occupations	8	100,463	10,481	110,944	887,550	8	205,000	1,640,000
International Trade Development	14	100,463	10,481	110,944	1,553,213	14	205,000	2,870,000
Multimedia and Entertainment	6	100,463	10,481	110,944	665,663	6	205,000	1,230,000
Small Business Development	14	73,509	7,669	81,178	1,136,497	15	150,000	2,250,000
	11	24,503	2,556	27,059	297,654	11	50,000	550,000
	1	64,688	6,749	71,437	71,437			
	2	20,093	2,096	22,189	44,378			
Workplace Learning/Basic Skills	12	100,463	10,481	110,944	1,331,325	12	205,000	2,460,000
Strengthening Initiatives (Hubs)	21	Varies			1,631,685	21	Varies	3,015,000
<b>Subtotal</b>	<b>133</b>		<b>1,180,988</b>		<b>12,500,929</b>	<b>131</b>		<b>23,035,000</b>
<b>SPECIALIZED SHORT-TERM GRANTS</b>								
Responsive Training Fund for Incumbent Workers	22	3,920,496	409,018	Varies	4,329,514	20	Varies	8,000,000
Industry Driven Regional Collaboratives	37	3,833,265	399,917	Varies	4,233,182	20	Varies	7,822,000
Job Development Incentive Training Fund (including Linking After School Employment grants)	16	2,219,491	231,555	Varies	2,451,046	15	300,000	4,529,000
<b>Subtotal</b>	<b>75</b>	<b>9,973,251</b>	<b>1,040,490</b>		<b>11,013,742</b>	<b>55</b>		<b>20,351,000</b>
<b>STATEWIDE NETWORK LEADERSHIP, ORGANIZATIONAL DEVELOPMENT, COORDINATION, INFORMATION AND SUPPORT SERVICES</b>								
Training and Development	1	147,019	15,338	162,357	162,357	1	300,000	300,000
Coordination Services	1	196,025	20,451	216,476	216,476	1	400,000	400,000
Data Collection/Strategic Review	1	98,012	10,225	108,238	108,238	1	200,000	200,000
Initiative Directors	10	84,536	8,819	93,355	933,551	10	162,500	1,625,000
Performance Reports/Evaluation	1	56,357	5,880	62,237	62,237	1	279,000	279,000
Rural Opportunities Studies	1	122,515	12,782	135,297	135,297	1	41,666	250,000
Capacity Dev. for Faculty/Staff	1	171,522	17,895	189,416	189,416	1	116,667	350,000
<b>Subtotal</b>	<b>16</b>		<b>170,765</b>		<b>1,807,572</b>	<b>16</b>		<b>3,404,000</b>
<b>TOTAL PROGRAM</b>	<b>224</b>	<b>22,930,000</b>	<b>2,393,243</b>		<b>25,322,243</b>	<b>202</b>		<b>46,790,000</b>



**APPENDIX II**  
**Total EWD Program Funding**  
**Fiscal Years 2005-06 to 2009-10**



**Explanation of Changes**

**Fiscal Year 2006-07:** A Budget Change Proposal for \$16 million was approved by the Legislature. In addition, \$4 million for Nursing was moved to its own funding source, for a net \$11 million increase to the Program.

**Fiscal Year 2009-10:** EWD Program was cut 51 percent, with \$2.4 million in ARRA funds to be used to backfill cuts.