

Special meeting of the Board

1 to 1:30 p.m. June 28, 2017

1-877-820-7831; 396334

Welcome and Call to Order

Roll call and declaration of proxies

Mr. Mark Latterner, President

Audit/Finance Committee

Presentation of the 2017-2018 Budget

Mr. Ed Hartman, Treasurer

- ***ACTION: Approve the 2017-2017 Budget***

Open Forum

Adjournment

MEMORANDUM

TO: Partner4Work Board
FROM: Ed Hartman/Ray Herron
DATE: June 28, 2017
RE: FY2018 Budget

We have enclosed the proposed FY2018 Partner4Work budget. The following represents a more detailed narrative surrounding the FY2018 Budget Analysis.

Income:

- **Public Funds/Government Grants**
 - The proposed FY2018 budget shows a \$3.6 million increase, which is directly connected to new Adult TANF "EARN" program.
 - Our government grants are primarily connected to federal funds provided by various agencies, which include PA DOL, Federal DOL, and PA DHS.

Expense:

- **Direct Program Expense**
 - The \$2.2 million increase in budget year over year related to 2 areas:
 - New Adult TANF funding - \$2.8 million
 - Youth WIOA reduction - \$600,000 reduction
- **Salaries, Wages and Benefits**
 - We are budgeting a \$530,000 increase in this area, which is directly connected to the organizational restructuring and the addition of 8 new positions. These new positions were previously reviewed in the Executive Meeting.
 - Staff level for 2017-18 will be 31 FTE, 1 PT and 3 Seasonal
- **Communication**
 - Partner4Work budgeted the Rebranding Project in FY2017, which causes the decrease of \$52,000 in the FY2018 budget.
- **Contracted Services**
 - For Adult TANF, we are subcontracting services to Great Lakes rather than hiring the current Adult TANF employees. This is to reduce distractions to services and provides us time to analyze the program and see what makes sense.
- **Equipment Expenses**
 - New Fiscal System, CRM and Contract Database (see Capital Budget sheet)
- **Rent**
 - The \$40,000 increase pertains to the leasing of additional office space due to organizational growth, as well as a slight increase in the existing leases.

**PARTNER4WORK
BUDGET ANALYSIS
FY2017 VERSUS FY2018**

	Forecast FY 2017	Budget FY 2018	Inc (Dec)
Ordinary Income/Expense			
Income			
4000 · Public Funds/Government Grants	15,624,704	19,713,770	4,089,066
4200 · Foundation & Private Contrib	1,250	0	(1,250)
4300 · Interest	2,976	2,500	(476)
4400 · Inter-Fund Transfer	0	0	0
4700 · Other Income	0	0	0
4800 · Assets Released frm Restriction	1,282,508	1,853,121	570,613
Total Income	16,911,438	21,569,391	4,657,953
Gross Profit	0	0	0
Expense			
5000 · Direct Program Expenses	14,444,421	17,632,338	3,187,917
5200 · Salary, Wages, and Benefits	1,863,053	2,525,153	662,100
5350 · Communication	87,924	36,000	(51,924)
5370 · Contracted Service	37,000	613,336	576,336
5400 · Depreciation Expense	37,835	65,340	27,505
5450 · Equipment Expense	32,208	66,500	34,292
5500 · Fiscal	43,857	49,000	5,143
5650 · Insurance	19,960	8,250	(11,710)
5660 · Information Technical Service	92,176	85,000	(7,176)
5700 · Legal Expense	29,620	35,000	5,380
5750 · Materials / Supplies	49,564	65,600	16,036
5760 · Meeting Expense	25,784	38,600	12,816
5770 · Memberships	19,325	24,000	4,675
5850 · Other Miscellaneous	2,104	0	(2,104)
5900 · Postage / Messenger	1,763	2,400	637
5940 · Publications	1,499	2,000	501
5950 · Rent	88,463	127,560	39,097
6000 · Staff Administration	10,002	17,535	7,533
6050 · Telephone	12,846	15,000	2,154
6060 · Temporary Service	18,549	0	(18,549)
6070 · Training	0	2,000	2,000
6080 · Travel & Conference	34,788	61,619	26,831
6900 · Distributed Costs	0	(0)	(0)
Total Expense	16,952,741	21,472,230	4,519,489
Net Income	(41,303)	97,160	138,463

**Partner4Work
Statement of Activities
FY2018 BUDGET**

Ordinary Income/Expense	Reimbursement Contracts										Restricted Grants					TOTAL							
	Management & General		City of Pittsburgh		TANF		DOL Ex-Offenders		Sector Strategies		Pittsburgh Works		Place Based Strategies		Regional Workforce		Learn & Earn		Total Program (Unrestricted)	Total Unrestricted	Temporarily Restricted		
	(Unrestricted)	(Program)	(Program)	WIOA	(Program)	(Program)	(Program)	(Program)	(Program)	(Program)	(Program)	(Program)	(Program)	(Program)	(Program)		(Program)	(Program)					
Income																							
4000 : Public Funds/Government Grants	0	4,616,452	3,626,290	7,139,368	602,286	1,072,374	0	0	0	0	0	0	0	0	0	0	2,507,000	19,713,770	19,713,770	787,113	20,500,883		
4200 : Foundation & Private Contri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4300 : Interest	2,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,258,500	0	0	2,500	2,500	
4400 : Inter-Fund Transfer	0	0	0	(1,258,500)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4700 : Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4800 : Assets Released from Restriction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	977,354	1,853,121	1,853,121	(1,853,121)	0		
Total Income	2,500	4,616,452	3,626,290	5,880,868	602,286	1,249,277	176,903	0	0	0	526,864	22,000	0	150,000	150,000	0	4,742,854	21,566,891	21,566,891	(1,066,009)	20,500,883		
Expense																							
5000 : Direct Program Expenses	0	3,723,173	2,949,469	4,777,106	549,055	1,024,673	250,000	159,904	0	0	0	0	0	0	0	0	4,190,956	17,632,338	17,632,338	0	17,632,338		
5200 : Salary, Wages, and Benefits	678,530	490,104	354,903	302,992	35,652	153,429	183,467	6,101	101,718	5,000	19,646	0	0	0	0	0	218,257	1,846,623	1,846,623	0	2,525,153		
5350 : Communication	20,000	0	0	0	0	0	5,000	0	0	0	0	0	0	0	0	0	6,000	16,000	16,000	0	36,000		
5370 : Contracted Service	0	0	0	453,190	0	0	5,000	0	19,646	0	0	0	0	0	0	0	132,000	613,336	613,336	0	613,336		
5400 : Depreciation Expense	27,500	0	0	10,740	0	0	0	0	0	0	0	0	0	0	0	0	0	37,840	37,840	0	65,340		
5450 : Equipment Expense	32,500	0	0	5,000	0	0	0	0	0	0	0	0	0	0	0	0	29,000	34,000	34,000	0	66,500		
5500 : Fiscal	49,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49,000		
5550 : Insurance	8,250	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8,250		
5660 : Information Technical Service	65,000	0	0	0	0	0	10,000	0	10,000	0	0	0	0	0	0	0	0	0	20,000	0	85,000		
5700 : Legal Expense	17,500	5,000	5,000	0	0	0	2,500	0	0	0	0	0	0	0	0	0	5,000	17,500	17,500	0	35,000		
5750 : Materials / Supplies	30,000	7,000	7,500	3,000	2,200	10,900	3,000	0	0	0	3,000	0	0	0	0	0	2,000	35,600	35,600	0	65,600		
5760 : Meeting Expense	22,500	0	0	0	2,000	2,000	12,000	100	0	0	0	0	0	0	0	0	0	16,100	16,100	0	38,600		
5770 : Memberships	24,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	24,000		
5850 : Other Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
5900 : Postage / Messenger	2,400	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,400		
5940 : Publications	2,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,000		
5950 : Rent	118,550	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,000	9,000	9,000	0	127,560		
6000 : Staff Administration	17,535	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17,535		
6050 : Telephone	15,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15,000		
6060 : Temporary Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
6070 : Training	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,000	2,000	2,000	0	2,000		
6080 : Travel & Conference	15,000	10,000	10,000	7,500	1,959	6,400	8,000	250	0	0	0	0	0	0	0	0	2,500	46,619	46,619	0	61,619		
6900 : Distributed Costs	(1,277,775)	381,175	299,418	332,077	11,410	48,375	47,897	5,645	13,636	0	0	0	0	0	0	0	138,141	1,277,775	1,277,775	0	(0)		
Total Expense	(132,500)	4,616,452	3,653,390	5,891,608	602,286	1,249,277	526,864	172,000	150,000	0	526,864	22,000	0	150,000	150,000	0	4,742,854	21,504,730	21,472,230	(37,840)	(968,948)		
Net Ordinary Income	135,000	0	(27,100)	(10,740)	0	0	(0)	0	0	0	(0)	0	0	0	0	0	(0)	(0)	(0)	(37,840)	(968,948)		
Net Income	135,000	0	(27,100)	(10,740)	0	0	(0)	0	0	0	(0)	0	0	0	0	0	(0)	(0)	(0)	(37,840)	(968,948)		

**Partner4Work
Capital Budget
FY 2018**

Financial Management System	\$ 100,000
Contract Database	\$ 25,000
CRM System	\$ 40,000
	<u>\$ 165,000</u>