

**SAN DIEGO WORKFORCE PARTNERSHIP, INC.**  
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**San Diego, CA 92105**  
**(619) 228-2900**

<b>OPERATIONS ISSUANCE</b>
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**OPERATIONS ISSUANCE NO. 2008-02**

**DATE:** September 17, 2007

**TO:** Contracted Youth Programs Service Providers

**FROM:** Margie de Ruyter  
Director, Youth Programs

**SUBJECT: LEVERAGED RESOURCES CONTRIBUTION REQUIREMENTS**

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**PURPOSE**

The purpose of this operation issuance is to provide Workforce Partnership contracted Youth Service Providers with procedures and guidance for tracking leveraged resources budgeted in their youth program contract and reported on the monthly financial invoice. Information on how Youth Service Providers will be held accountable for leveraged resources is also provided in this issuance.

**BACKGROUND**

The Workforce Partnership strongly supports the notion of leveraging resources for the purpose of improving the effectiveness of youth programs through collaborative planning, funding and service delivery. New contracts awarded under the Youth Programs Request for Proposals for Program Year 2007-2008, encourage contractors to leverage a wide-range of public and private resources to support youth workforce services. Leveraging resources also ensures that programs do not solely rely on Workforce Partnership WIA funding to support their operation and provision of youth services. As a result all new youth contracts include leveraged resources as a part of their overall program design and delivery.

These leveraged resources must directly support the program activities and must be documented as described in Attachment A – Leveraged Resources Contribution Requirements. Leveraged resources can support any particular budget item as long as it supports program activities. Examples of leveraged resources include but are not limited to:

- Staff time from contractor or partner agencies (directly related to services to youth)
- Facilities (where services occur)
- Participant expenses (e.g. internship/work experience wages, incentives, supportive services, tuition, books, fees, tools or clothing for employment)
- Equipment (directly related to services to youth)
- Outreach and/or media support

**ACTION/IMPLEMENTATION**

Workforce Partnership Program Specialists will monitor for leveraged resources using information reported on the Service Provider's monthly invoice and compare against the contract amount budgeted. Program Specialists will provide on-going follow-up and technical assistance to Providers to assist with the implementation of this reporting requirement. Failure to adequately report leveraged resources as budgeted may result in Service Provider being placed on a corrective action status to address reporting deficiency(ies). Corrective action for failing to address these deficiencies may result in a reduction of contract funds by the percentage of the budgeted leveraged resources shortfall or be subject to non-renewal of contract.

Please contact your assigned Program Specialist if you have questions regarding this issuance at (619) 228-2900.

**Attachment**

Leveraged Resources Contribution Requirements

cc: Workforce Partnership Internal Distribution List  
Simpson & Simpson CPAs  
Adult Program Service Providers  
One Stop Career Center Operators

## **Leveraged Resources Contribution Requirements**

The use of leveraged resources is encouraged by service providers in order to support and expand proposed WIA program activities. A policy for the use of leveraged resources from a variety of public and private funding sources has been established locally and the use of leveraged resources is encouraged by Service Providers in order to support and expand proposed WIA program activities. This policy applies when Service Providers have leveraged resource contribution provisions in their contract, but there is not a matching requirement from the Federal and/or State grant that is funding the Service Provider's program.

Leveraged resources are contributed to programs in the forms of cash matching and/or in-kind. Though leveraged resource contributions are similar to cash match/in kind policy requirements in the way they are valued, tracked and reported, leveraged resources differ in that they are a local program requirement, rather than a fiscal requirement. Both cash match and in-kind contributions are defined in section 6.13 of the Financial Management chapter. Therefore the following requirements for leveraged resources have been established for Service Providers who have leveraged resource requirements in their contracts:

- All leveraged resources must be expended on costs that are allowable to further program activities.
- Service Providers are required to establish procedures to value, track, and report on their leveraged resources contributions and must maintain and provide supporting documentation to the Workforce Partnership, federal, state and/or local monitors, upon request.
- Records must be maintained that support program costs paid with the Service Provider's cash match contributions within the Service Provider's accounting system and be available for audit and monitoring.
- For third-party contributions, the support of the value must be verifiable from the Service Provider's records, including the method used to determine the value.
- Service Providers are required to report their leveraged resources contributions on a monthly basis with the submittal of the monthly invoice, or other specified invoice periods.

The Workforce Partnership Program staff will monitor/track leveraged resources reported monthly on Service Providers' invoices to ensure leveraged resource expenditures are on track with the budget.

During regular monitoring visits performed by contracted monitors, a sampling methodology will be used to verify that supporting documentation agrees with the monthly reporting of leveraged resources included on the Service Provider's invoices.