

SWP REGIONAL FUNDS – LA REGION

LARC FISCAL AGENT UPDATES 08/07/2024

UPDATE ON LARC PROJECT MONITORS

To better support our LA19 colleges and streamline our efforts, the Los Angeles Regional Consortium (LARC) will now utilize the expertise of our LARC Fiscal Agent (FA) fiscal contractor, Alejandra Landa-Flores, for SWP Regional Funds project monitoring services. This change reflects our commitment to enhancing collaboration and effectiveness in working with the 19 colleges across 11 community college districts. We look forward to this new phase of support and partnership. We appreciate the valuable contributions of Denise Cappis and Sonya Elliott (CLA-CliftonLarsonAllen LLP) and look forward to continued success with Alejandra's support.

Alejandra will provide progress monitoring for projects within the region to ensure that all projects are being managed on pace and on budget and within all intended parameters. She will work with the LA19 colleges to track spending, activities and address any fiscal matters. Additionally, twice a month Alejandra will provide virtual office hours for fiscal teams to address any SWP Regional share fiscal matters. More details to come.

FISCAL UPDATES FROM THE CHANCELLOR'S OFFICE SWP 2.0 FAQs GUIDE

On July 10, 2024, the Chancellor's Office Strong Workforce Program (SWP) Team issued an updated Frequently Asked Questions (FAQs) document and sent to the field via the NOVA platform. The document included questions gathered from field requests and feedback since the implementation of the SWP 2.0. The Chancellor's Office SWP Team will continue updating the [SWP FAQs webpage](#) to reflect the changes in the document and will update this document at a minimum annually.

Below are some questions and answers pertaining to fiscal matters.

Where can we find the legislation that outlines how the SWP funding should be used?

The [Education Code sections \(88820 – 88826\)](#) specific to the SWP Community College Component outlines how the funding should be used regionally and locally. Expanded Uses of SWP Funding the Fiscal Year 2023 – 2024 enacted State budget included expanded uses of SWP funding as outlined in



Education Code section 88825. SWP funds apportioned directly to a community college district may also be used for all the following:

- i. Providing funds for student grants to cover fees for third-party certification and licensing.
- ii. Enhancing student services to support retention, work experience, and job placement.
- iii. Providing students with an integrated educational program that connect academic curricula to applied and experiential learning in the workplace including, but not limited to, work-based learning programs and models.

When are SWP funds considered encumbered?

SWP funds are considered encumbered when there is a commitment or obligation to spend funds for a specific purpose, but the actual expenditures have not been made. The following examples are considered encumbered funds:

- Equipment and supplies: Date of purchase order (PO)
- Contracted Services: Date of written agreement
- Travel: When travel is booked

When are SWP funds considered obligated?

SWP funds are considered obligated when there is a formal commitment to expend the funds. As with all fiscal matters, local policies must also be followed. The following examples are considered obligated funds:

- Equipment and supplies: Obligation occurs Date of Purchase Order (PO)
- Work of Employees: Obligation occurs when work is done
- Contracted Services: Obligation occurs Date of Written Agreement
- Utilities: Obligation occurs when used
- Rental: Obligation occurs when used
- Travel: Obligation occurs when travel is taken
- Conference Registration: Obligation occurs when Fee is paid

Determining an Allowable Expense with SWP Funds

When justifying SWP expenditures, a college/district should consider the following:

- a. Permissible under District Board Policy.
- b. Permissible under District Administrative Procedures
- c. *Allowable* – Substantiate that the cost was necessary and reasonable for proper and effective administration of the allocation.
- d. *Reasonable* – Necessary for the performance of the grant; following sound business practices (procurement processes, follow state and local laws, follow the terms of the grant); use of fair market prices; acting with prudence under the circumstances; and having no significant deviation from established prices.

- e. *Allocable* – A cost is considered allocable to a particular funding source/program to the extent it actually benefits the objectives of that program. You can only charge in proportion to the value received by the funding source/program.
- f. *No Supplanting* – Funds appropriated to community college districts for local or regional share investment shall supplement, not supplant, existing funding of community college career technical education programs. This shall not be interpreted to mean that a participating community college district is prohibited from eliminating or altering existing programs, but the percentage of that community college district’s total full-time equivalent students enrolled in career technical education courses relative to the total full-time equivalent students enrolled in the district shall not be reduced.
- g. Ensure that community college district Strong Workforce Program expenditure is focused on improving student success with [workforce outcomes](#) for all students enrolled in community college career technical education courses, programs, and pathways, and addressing the recommendations of the [Strong Workforce Task Force](#).
- h. SWP expenditures must be included in the budget of the associated project plan approved in NOVA.

Is out of state/out of country travel an allowable SWP expense?

Yes, out of state and out of country travel is allowable provided it is in alignment with SWP goals and objectives and associated with an approved project plan in NOVA.

Can SWP funds be used to upskill workers for not-for-credit course?

Our goal is to support the state’s economic recovery efforts. In cases where incumbent workers are in jeopardy of losing their employment and training would support them in obtaining a different position with an existing employer that would be an allowable activity. In other cases, working with your local workforce boards to support getting unemployed individuals the training that leads to gainful employment where companies have made commitments to hire, SWP funds could be used to support those efforts as well.

LARC FISCAL DEADLINES AND REMINDERS

- FY 2023-24, Quarter 4 NOVA Fiscal Reports for 22/23 (Round 7) and 23/24 (Round 8) NOVA Fiscal Reports are due by **August 15, 2024**.
- FY 2023-24, Quarter 4 invoices for 22/23 (Round 7) and 23/24 (Round 8) projects will not be processed until NOVA fiscal reporting is completed and applicable object code budget modification requests have been submitted and approved. The object code modification request form template is attached and will be uploaded to the LARC Fiscal webpage soon.
- The LARC Fiscal Agent Fiscal Year 2024-25 Fiscal deadlines document can be accessed [here](#).