

Agency: 354 Workforce Train & Educ Coord Board
Decision Package Code/Title: 8L Lease Rate Adjustments
Budget Period: 2015-17
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The lease agreement for agency staff office space signed by the Workforce Training and Education Coordinating Board in July 2010 included a 10% lease increase effective July 1, 2013, and a 12% increase effective July 1, 2016.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State		13,238	13,238
001-2 General Fund - Basic Account-Federal		5,268	5,268
503-6 Tuition Recovery Trust Account-Non-Appropriated		1,317	1,317
Total Cost		19,823	19,823

Revenue

<u>Fund</u>	<u>Source</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001 General Fund	0384 Dept of Education		5,268	5,268
Total Revenue			5,268	5,268

Package Description:

The lease agreement signed by the Workforce Training and Education Coordinating Board in July 2010 requires a 10% lease increase effective July 1, 2013, and a 12% increase effective July 1, 2016.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The Workforce Training and Education Coordinating Board is a small state agency with limited resources for administrative costs. Additional funding to pay for the lease will support the agency in providing the services its constituents need and expect. Failure to provide funding for these services, many of which are mandatory, will severely restrict the agency's ability to carry out its mission and mandates.

Performance Measure Detail

Activity:

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, funding of this package will leave the limited administrative funds the agency has available to implement the strategies identified in the agency's strategic plan.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

Yes, Funding of the lease rate increase supports the essential functions of the Workforce Training and Education Coordinating Board in helping to provide a world class education that leads to a prosperous economy.

What are the other important connections or impacts related to this proposal?

Not funding the contractual lease rate increase will leave the agency limited administrative funds to implement strategies identified in the agency's strategic plan.

What alternatives were explored by the agency, and why was this alternative chosen?

No other alternatives are available.

What are the consequences of adopting or not adopting this package?

The agency would need to look at reductions in critical mission services to fund the increase in this lease.

What is the relationship, if any, to the state's capital budget?

There is no relationship to the state's capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Expenditures based upon a 12% increase to the current base rent of \$13,705.83 taking effect on July 1, 2016 through June 30, 2020.

New Lease amount	\$15,417.73
Current lease amount	\$13,765.83
Difference	\$ 1,651.90

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are on-going, with the cost increases effective during the following period.
FY16-20: Increased annual costs of \$13,238 General Fund-State, \$5,268 General Fund Federal, and \$1,317 Tuition Reimbursement Fund.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
E Goods\Other Services		19,823	19,823