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CITY OF OAKLAND



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District 2

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TO: Chairperson Reid and Members of the CED Committee

FROM: Council President Patricia Kernighan

DATE: October 23, 2014

RE: Memo to City Council as the Council representative on the Oakland Workforce Investment Board

I have served as the City Council representative on the Oakland Workforce Investment Board (WIB) since 2010. The WIB is the community board mandated by the federal Workforce Investment Act (WIA) to make policy and funding decisions for use of WIA funds that come to Oakland. The WIB funding decisions must also be approved by the Mayor and City Council. I have been asked to provide a report to the CED Committee on the activities of the WIB. In general, the main activity of the WIB has been to decide how to spend the ever-decreasing WIB dollars. The WIB's budget decisions and funding allocations to provider groups have all come to you previously for your approval, so I do not have new information on that. To refresh your memories, I have attached a copy of the most recent Resolution as Attachment A, which shows the approved funding for FY 2014-15. I draw your attention to Table 2, which shows the dollars going to each provider of Adult services and Table 3, which shows the dollars to each provider of Youth services.

The Oakland WIB has 41 members, a diverse group of people representing businesses, labor, other government service agencies, and workforce providers. The WIB members are very dedicated to improving employment prospects for Oaklanders who are most in need of employment. Many other WIBs, including the Alameda County WIB, serve a broad range of people seeking employment, but the Oakland WIB focuses on people with major barriers to employability—for instance, those without a high school education and/or with a past criminal record.

CED Comm  
October 23, 2014  
Item # 3

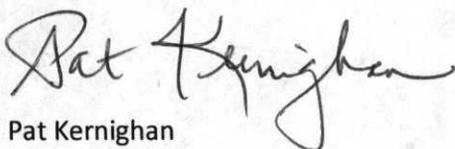
For many years, including prior to my participation in the WIB, there was a chronic problem of the WIA funding not being approved by the WIB and City Council in time for the providers to start work on July 1 of the contracted year. This was due to a variety of factors, but the WIB Board made it the highest priority to get the process improved and timely. This past year the process is much better and approvals by the WIB and City Council were achieved in a more timely way.

The biggest change in the Oakland WIB happened in 2010, when the WIB decided to shift the "System Administration" function (mandated by WIA) from the Oakland Private Industry Council to City staff. The implementation in 2011 was rocky, but is now working pretty well. With that shift in duties, the funds for System Administration shifted from the PIC to the City. I attach a chart as Attachment B showing the allocations of funds to the System Administrator over the past ten years. A frustrating aspect of the WIA system is that its many procedural requirements are complex and bureaucratic, both for the providers and the System Administrator. Of particular concern to me and many board members is that it is almost impossible to understand what outcomes are being produced by the services because of the way performance is reported under the WIA system, including the fact that the data is reported so long after the services are provided. There is reason to hope that this and other aspects of our workforce system can be improved, as this year Congress re-designed the workforce program, renaming it the Workforce Innovation and Opportunity Act (WIOA). There are major policy and procedural changes in the new system, which will be a huge challenge for the staff and WIBs to understand and implement, but there are promising opportunities in the new system, as it reportedly is going to allow more flexibility to the local WIBs in the way they provide services. The WIB members will be attending a Retreat in the next month to learn more about what is possible under the new system.

A new and exciting asset to Oakland's workforce efforts is the West Oakland Jobs Center, which the WIB staff have been working hard to get up and running. The staff would be better able than I to answer questions about what is happening now at the new Center.

I will be happy to answer any questions from the CED Committee at the meeting on October 28<sup>th</sup>.

Respectfully submitted,



Pat Kernighan

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 JUL -2 AM 10:21

**OAKLAND CITY COUNCIL**  
**RESOLUTION No. 85114 C.M.S.**

APPROVED AS TO FORM AND LEGALITY:

*[Signature]*  
Deputy City Attorney

**A RESOLUTION (1) ADOPTING THE FISCAL YEAR 2014-2015 WORKFORCE INVESTMENT BUDGET; (2) ACCEPTING AND APPROPRIATING WORKFORCE INVESTMENT ACT (WIA) TITLE I FORMULA FUNDS FOR ADULT, DISLOCATED WORKER, RAPID RESPONSE AND YOUTH PROGRAMS IN THE AMOUNT OF \$4,628,338; (3) ACCEPTING AND APPROPRIATING \$988,217 IN WIA DISCRETIONARY GRANT FUNDS; (4) AUTHORIZING CONTRACTS WITH SERVICE PROVIDERS COMPETITIVELY SELECTED BY THE OAKLAND WORKFORCE INVESTMENT BOARD TO PROVIDE ADULT, DISLOCATED WORKER, RAPID RESPONSE AND YOUTH SERVICES FROM WIA TITLE I FORMULA FUNDS THROUGH JUNE 2016; AND (5) AUTHORIZING CONTRACTS WITH THE ENGLISH CENTER, LAO FAMILY COMMUNITY DEVELOPMENT, OAKLAND PRIVATE INDUSTRY COUNCIL, AND THE UNITY COUNCIL TO PROVIDE SERVICES FOR LONG-TERM UNEMPLOYED CLIENTS FROM WIA DISCRETIONARY GRANT FUNDS THROUGH JUNE 2016**

**WHEREAS**, the Oakland Workforce Investment Board ("WIB") is mandated by the Workforce Investment Act of 1998 ("WIA") to oversee the expenditure of WIA funding in partnership with the Mayor as chief elected official in a designated Workforce Investment Area such as the City of Oakland; and

**WHEREAS**, the City of Oakland's allotment of WIA Title I Formula funds for Fiscal Year 2014-2015 is \$4,628,338; and

**WHEREAS**, the City of Oakland also has \$1,065,000 in carry-forward funds previously approved and appropriated by the City Council; and

**WHEREAS**, the Mayor and Oakland WIB have approved a budget for all said funds; and

**WHEREAS**, the WIB has selected through a competitive Request for Proposals process service providers specified below to provide employment and training services to adults, dislocated workers, youth, as well as Rapid Response Lay-Off Aversion services with WIA Formula funds; and

**WHEREAS**, the State Employment Development Department (EDD) has awarded a WIA Discretionary Grant of \$988,217 to the City of Oakland to serve long-term unemployed clients; and

**WHEREAS**, the City is seeking a waiver from EDD of the federal competitive requirements for the allocation of the WIA Discretionary Grant funds; now, therefore, be it

**RESOLVED:** That the City hereby accepts WIA Title I Formula funds for Fiscal Year 2014-2015 in the amount of \$4,628,338; and be it

**FURTHER RESOLVED:** That the City Council hereby authorizes the City Administrator to negotiate and enter into contracts or contract amendments for Fiscal Year 2014-2015 WIA funds to provide adult and dislocated worker employment and training and Rapid Response services with the following service providers in not-to-exceed-amounts set forth in **Table 2**, below:

**TABLE 2**

<b>FY 14-15 WIA Contract Allocations: Adult, Dislocated Worker, Rapid Response, and OJT Project</b>								
<b>AGENCY</b>	<b>Formula Program</b>	<b>Formula Adult Training</b>	<b>Formula Dislocated Worker Training</b>	<b>WIA Rapid Response Training</b>	<b>Formula Support Services</b>	<b>OJT Project: Program</b>	<b>OJT Project: Training</b>	<b>Total Award</b>
Dept. of Human Services: ASSETS	\$130,000	\$10,000			\$5,000			\$145,000
OPIC: Comprehensive Career Center	\$1,508,000	\$195,000	\$200,000	\$55,000	\$55,000	\$175,522	\$196,000	\$2,384,522
OPIC: Career Center West	\$90,000	\$15,000	\$10,000		\$10,000			\$125,000
OPIC: Career Center East	\$75,000	\$10,000	\$5,000		\$10,000			\$100,000
OPIC: EastBay WORKS	\$60,000							\$60,000
Unity Council	\$270,000	\$40,000	\$10,000		\$20,000	\$65,400	\$111,000	\$516,400
English Center						\$67,189	\$68,000	\$135,189
Lao Family						\$115,469	\$100,000	\$215,469
<b>TOTALS:</b>	<b><u>\$2,133,000</u></b>	<b><u>\$270,000</u></b>	<b><u>\$225,000</u></b>	<b><u>\$55,000</u></b>	<b><u>\$100,000</u></b>	<b><u>\$423,580</u></b>	<b><u>\$475,000</u></b>	<b><u>\$3,681,580</u></b>

and be it

**FURTHER RESOLVED:** That the City Council hereby authorizes the City Administrator to negotiate and enter into contracts or contract amendments for Fiscal Year 2014-2015 WIA funds to provide youth employment and training services with the following service providers in not-exceed-amounts set forth in **Table 3**, below:

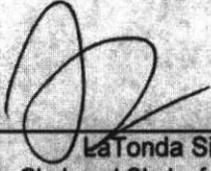
**FURTHER RESOLVED:** That the City Administrator or her designee is hereby authorized to spend funds and take other action with respect to the adopted budget and authorized contracts consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 15 2014

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN - 8

NOES-   
ABSENT-   
ABSTENTION-

ATTEST:  for  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California

The following is a historic breakdown of WIA System Administration costs since FY 2004-2005:

<b>HISTORIC OVERVIEW OF WIA SYSTEM ADMINISTRATION COSTS 2004-2014</b>					
	<b>OPIC System Administration/ One Stop Operator Support</b>	<b>City Workforce Development WIA System/ WIB Support</b>	<b>Total System Support Cost</b>	<b>Total Budget</b>	<b>Percentage of Budget</b>
FY 2004-2005	\$1,329,160	\$835,391	\$2,164,551	\$7,478,529	28.9%
FY 2005-2006	\$1,219,401	\$868,214	\$2,087,615	\$8,079,281	25.8%
FY 2006-2007	\$1,083,730	\$797,854	\$1,881,584	\$6,503,977	28.9%
FY 2007-2008	\$1,048,705	\$456,013	\$1,504,718	\$6,142,135	24.5%
FY 2008-2009	\$1,087,892	\$325,000	\$1,412,892	\$6,399,521	22.1%
FY 2009-2010	\$847,951	\$845,988	\$1,693,939	\$6,648,139	25.5%
FY 2010-2011	\$289,356	\$824,000	\$1,113,356	\$7,144,069	15.6%
FY 2011-2012	\$545,000	\$1,393,891	\$1,938,891	\$6,426,370	30.2%
FY 2012-2013	\$491,542	\$1,420,768	\$1,912,310	\$6,008,315	31.8%
FY 2013-2014	\$0	\$1,488,728	\$1,488,728	\$6,318,433	23.6%
FY 2014-2015	\$0	\$1,488,728	\$1,488,728	\$6,681,555	22.3%
<b>TOTALS:</b>	<b>\$7,942,737</b>	<b>\$10,744,575</b>	<b>\$18,687,312</b>	<b>\$73,830,324</b>	<b>25.3%</b>

The costs of System Administration and Program Support now are in proportion to the total annual budget based on the historical data.