



FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 MAR 20 PM 12: 50

## AGENDA REPORT

**TO:** FRED BLACKWELL  
CITY ADMINISTRATOR

**FROM:** John R. Bailey

**SUBJECT:** Special Meeting on Workforce Development    **DATE:** March 10, 2014

City Administrator  
Approval

Date

3/17/14

**COUNCIL DISTRICT:** All

### RECOMMENDATION

Staff recommends that the City Council receive:

#### **An Informational Report Regarding Workforce Development Policies, Procedures And The Workforce Investment Board**

This informational report is in response to concerns raised by City Councilmembers and members of the public regarding the administration of the City's Workforce Development System, workforce policies, and the Workforce Investment Board (WIB).

### EXECUTIVE SUMMARY

During the WIB's budget approval discussions at the July 9, 2013 Community and Economic Development Committee and the July 16, 2013 City Council meetings, the Council requested that the WIB create a standing committee structure for budget and fiscal issues. This request stemmed from public comments critical of the WIB's use of budget ad hoc committees. The WIB leadership and its voting members will consider the Council's request when it prepares to commence its FY 2014-2015 budget development process.

The public also raised concerns about the City's staffing and overhead costs, and the timeliness of payments to service providers. As the Administrator for the City's Workforce Investment Act (WIA) funded system, the City pays for 8 FTE from WIA funds. Most of those funds are used for program and service provider support. Since the City staffed up in 2013, payments to service providers have improved significantly. With few exceptions, invoices properly submitted are paid within a 20-day period.

Concerns were raised about the City's lack of match to the WIA-funded portion of workforce

Item: \_\_\_\_\_  
Special CED Committee  
March 26, 2014

development, which impacts service levels. The 6.25 FTE staff who work in the Workforce Development Office support the City's largest policy board, manage the West Oakland Job Resource Center, coordinate the Mayor's Summer Jobs Program, administer the Oakland Day Laborer Program contract, coordinate special hiring projects with a number of employers, and participate in numerous initiatives to create strategic partnerships and generate additional resources for direct services.

A concern was raised about WIB meeting noticing. Full WIB and committee meetings are scheduled at the beginning of each year and the calendar is available to the public. Meetings are noticed according to the Brown Act and Sunshine Ordinance. Staff is not aware of any meeting that was not properly noticed in the past two years.

The special committee meeting is to discuss oversight of Oakland's WIA system, which is the federally mandated role of the WIB.

Finally, concerns were raised about the service provider Request for Proposal (RFP) processes the staff conducted on behalf of the WIB in late 2012 and 2013. Two formal complaints were filed regarding the RFP process. In both cases, staff's process was upheld by the City's appointed hearing officers, the State Employment Development Department and the U.S. Department of Labor for the one appeal that was presented to the federal level.

## **OUTCOMES**

Contract administration and compliance with State and Federal regulations has improved since the Workforce Development Office staffing has increased. The WIB's Five-Year Local Plan was approved by the California Workforce Investment Board, which also re-certified Oakland's status as a Workforce Investment Area. Staff is engaged in a number a regional program development initiatives that could bring new resources to the City. EDD is in the final stages of considering a \$900,000 grant application to serve long-term unemployed clients. The West Oakland Job Resource Center is in full operation. The Day Laborer Program is back in operation. The Mayor's Summer Jobs Program provided employment opportunities for more than 1,500 youth. Staff is working directly with several employers at their request, including Starbucks, CVS and Comcast, to coordinate special hiring initiatives.

The WIB and its committees are focusing their agendas on fulfilling the key elements of the Local Plan with the goal of achieving High Functioning Board status by the State WIB. Oakland ranked sixth among 26 WIB's that just missed achieving that designation, which is based on the following criteria: focused workforce training; regional collaboration and strong strategic partnerships; clear pathways from K-12 to Community College programs and apprenticeship opportunities; and alignment of training with Oakland and regional growth sectors, all with the goal of reducing double digit unemployment, particularly in our underserved communities.

## **BACKGROUND/LEGISLATIVE HISTORY**

The Oakland Workforce Investment Board (WIB) is a federally mandated policy body appointed by the Mayor charged with approving the use of U.S. Department of Labor Workforce Investment Act (WIA) funds allocated annually to Oakland through the State Employment Development Department. Per the Workforce Investment Act, the Chief Elected Official of an area receiving WIA funds—in Oakland’s case, the Mayor—and the WIB must agree on the budget. Since WIA does not supersede local governance, the Oakland City Charter mandates that the Oakland City Council also approve the allocation of WIA funds.

Many of the issues and concerns raised that has led to the special meeting of the CED Committee are vestiges of the period when Oakland failed to adequately staff its system. The WIB and its leadership have done a very good job of ensuring the system is getting the support it needs, and holding staff accountable.

## **ANALYSIS**

The Workforce Development Office is almost fully staffed. However, even today, Workforce is stretched to extreme limits just in performing the important work at hand given its narrow “bandwidth.”

Oakland’s WIA funded Workforce System has improved in good part due to the dedicated leadership of the WIB members, many who are relatively new to the Board and some who have been with the Board since 2000. . The improved environment has attracted many new members to the WIB, with the majority of the new members coming from the Business Sector, along with other members of the Board who volunteer their precious time. City staff members have the utmost respect for those many members who provide excellent advice and leadership with the best intentions of doing what is right and needed for Oakland’s youth and adult job seekers and employer customers.

From a compliance perspective, the City has an obligation to ensure that it has sufficient capacity to administer its federally funded Workforce Development system. From a policy perspective, the City has a number of Workforce Development priorities in addition to its WIA funded programs, including summer youth employment programs, the West Oakland Job Resource Center, the Day Laborer Program, and other employment and training initiatives operated by a variety of City departments. While the City is often criticized for not supporting Workforce Development—specifically staff support for the WIB—the City does provide millions of dollars of support each year for a number of job training programs and employment opportunities for youth and young adults.

## **PUBLIC OUTREACH/INTEREST**

The Oakland Workforce Investment Board is the City's largest volunteer policy body subject to the Brown Act and Sunshine Ordinance. All meetings are publicly noticed and there is a lot of public participation at nearly every committee and full WIB meeting.

## **COORDINATION**

The Request for Proposal process was supported by the Office of Contracts and Compliance. Workforce Development staff works closely with the Finance and Management Agency to ensure fiscal compliance with the expenditure of WIA funds. Staff also works closely with the City Attorney's Office for counsel and advice matters such as proper noticing, Board process, conflict of interest, and other legal matters.

## **SUSTAINABLE OPPORTUNITIES**

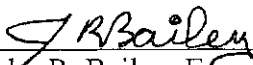
***Economic:*** Oakland's Workforce Development System provides qualified workers for Oakland businesses, and prepares Oakland residents for gainful employment and career paths leading to family sustaining jobs.

***Environmental:*** This report does not directly address environmental sustainability.

***Social Equity:*** Participants who receive intensive services in Oakland's Workforce Development System have multiple barriers to employment, are unemployed or have require support in gaining the pre-employment and vocational skills needed to become gainfully employed.

For questions regarding this report, please contact Al Auletta, Program Manager, at 238-3752.

Respectfully submitted,

  
\_\_\_\_\_  
John R. Bailey, Executive Director  
Oakland Workforce Investment Board

Prepared by:  
Al Auletta, Program Manager  
Department of Economic & Workforce  
Development

Item: \_\_\_\_\_  
Special CED Committee  
March 26, 2014