



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** Sara Bedford  
Director, Human Services

**SUBJECT:** Head Start/Early Head Start Program  
FY 2021-2026 Grant Application

**DATE:** July 15, 2021

City Administrator Approval

Date: Jul 15, 2021

## **RECOMMENDATION**

**Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To:**

- 1. Accept And Appropriate Head Start Basic And Head Start Training And Technical Assistance, Early Head Start Basic And Early Head Start Training And Technical Assistance Grants For Fiscal Year 2021-2022 From The United States Department Of Health And Human Services, Administration For Children And Families, Office Of Head Start (DHHS/ACF), In An Estimated Amount Of Twelve Million Two Hundred Fifty-Two Thousand Six Hundred Ninety-Four Dollars (\$12,252,694); And**
- 2. Authorize The City Administrator To Take All Necessary Actions For The City To Receive The Head Start Basic, And Training And Technical Assistance, And Early Head Start Basic, And Training And Technical Assistance Grants; And**
- 3. Award Grant Agreements To Fund Comprehensive Early Care, Education, And Family Services For The Head Start Program From July 1, 2021 To June 30, 2022 For A Total Amount Not To Exceed Two Million Five Hundred Ninety-Five Thousand Three Hundred Six Dollars (\$2,595,306) To Service Providers Identified In Table 4; And**
- 4. Accept And Appropriate Additional Federal Grant Funds If They Become Available Within This Grant Term To Fund The Head Start/Early Head Start Program And Amend The Grant Agreements Without Returning To Council.**

## **EXECUTIVE SUMMARY**

This report and resolution provide enabling legislation for the City of Oakland, Department of Human Services to accept and implement a U.S. Department of Health and Human Services, Administration for Children and Families (DHHS/ACF) Office of Head Start grant for \$12,252,694, to serve approximately 622 pregnant women and low-income children, ages 0-5, and their families throughout the city of Oakland, for a five-year period, fiscal year (FY) 2021-2026, renewable annually.

City Council  
July 20, 2021

The proposed range of slots for participants is currently in the process of being finalized with the Federal Office of Head Start (OHS), along with new partnerships with several private and public organizations throughout the city to serve the specific equity and community needs identified through the assessment and grant negotiation process. Negotiations began in April 2021 under federal non-disclosure agreements. The City received the Notice of Award (NOA) on June 30<sup>th</sup>, 2021. OHS awarded grants to the City of Oakland and to the Spanish Speaking Unity Council to collectively serve 990 children and pregnant women, and their families in the City of Oakland.

The Oakland Head Start program will shift from a Head Start focus to an Early Head Start priority as the State legislature transforms the early learning landscape with increased funding provided to preschool-age children through transitional kindergarten. The new grant award funds 330 Early Head Start slots (ages 0-3 years) and 292 Head Start slots (ages 4-5 years). The Oakland Head Start Program will continue to provide full-day center-based program options, as well as the home-based program option. The program will keep 11 existing locations.

This resolution further authorizes the City Administrator to enter into grant agreements to provide Head Start-related early childhood education services with long-standing early care and education partners, Brighter Beginnings, Saint Vincent's Day Home, and Laney Children's Center, that will operate in accordance with partner-specific policies and procedures set forth by the Oakland Head Start program, Head Start Performance Standards, and the City's contract guidelines. The grant also awards funds to two new partners, BANANAS, Inc. Child Care Referrals and Resources Agency and a partner to be determined in the next six months.

BANANAS, Inc. will run the Family Child Care Partnership program, providing funding and programmatic support to traditional childcare and family childcare settings across Oakland. The grant also funds the City of Oakland mobile classroom initiative that will provide Head Start and Early Head Start programming to families experiencing housing insecurity across Oakland, in partnership with the Community Housing Division and Family Front Door.

## **BACKGROUND / LEGISLATIVE HISTORY**

The City of Oakland has been a Grantee of the Head Start Program since January 1971. In 2007, Congress enacted legislation that required greater competition within communities for Head Start funding. This legislation ensures that Federal Head Start funding is directed to the organizations most capable of delivering high-quality early education that puts children on a pathway to improved outcomes, school success, and opportunity.

In FY 2016-17, the beginning of a new 5-year project cycle (FY 2016-21), program design changes were implemented following re-competition in the grant due to the Designation Renewal System (DRS) requirements. The new design helped the City of Oakland create a streamlined and seamless system of early care and education service delivery for vulnerable children, ages prenatal through five, and their families, living in Oakland.

The City of Oakland Head Start program was determined to be ineligible for automatic renewal of its 5-year Head Start and Early Head Start contract for FY 2021-26 and competed for its grant under DRS. All conditions triggering the need for re-competition have been corrected and a re-

review of the program by the Federal Administration for Children and Families in September 2020 reported all areas to be corrected and fully compliant. For further information about conditions under the DRS, please refer to the supplemental report provided at the January 28, 2020 Life Enrichment Committee meeting<sup>1</sup>.

OHS offered the City the opportunity to apply for funding to continue to serve children from birth to age five and pregnant women in competition with applications from other agencies. Grant applicants were strongly encouraged to bring new and innovative evidence-based or evidence-informed ideas to maximize the extent to which Early Head Start and Head Start, in collaboration with other partners and early childhood education providers, can prepare children and their families for school. The new grant could be awarded to up to 3 agencies.

### ***Program Services in FY 2021-22***

The program design will help the City of Oakland contribute to a more streamlined and seamless system of early care and education service delivery for vulnerable children, ages birth through five and their families, living in Oakland.

**Program Service Options:** In FY 2021-22, the Oakland Head Start/Early Head Start program proposes to operate the following program options:

**a) Full-day, Center-Based** Head Start and Early Head Start services, operated by the City of Oakland - the Grantee and Partners.

**b) Home-Based** Head Start and Early Head Start services operated by the Grantee and Partner Agency providing education, developmental and family services at homes.

**c) Pregnant Women's Program** that offers health and nutrition, in addition to pre/postnatal and early parenting classes, newborn home visits and transition of infant to the Early Head Start Program by the Grantee and Partner Agency.

**d) Family Child Care Partnership (FCC) Program** in partnership with BANANAS, Inc. Resource and Referral Agency, Oakland Head Start will work with licensed family childcare providers throughout the city.

**e) Mobile Classroom Program** that offers early learning education, child development, and family services in a mobile vehicle classroom setting at family shelters and other locations where unhoused families can be served.

The focus will be on providing families with a clear Early Head Start/Head Start path for children, beginning in pregnancy and extending through to the transition to kindergarten. Seamless transitions for children both within the Head Start program and into other local educational systems, are a critical element of family support and critical to the goals of school readiness and parent engagement. The award also jointly funds with Oakland Unified School District (OUSD) a liaison officer who will support families in their transition from the City's Head

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<sup>1</sup> View here: <https://oakland.legistar.com/LegislationDetail.aspx?ID=3952314&GUID=9DDBC1D4-D28B-4D8D-836E-9E3A7E1305FA>

Start Program into OUSD. A race and equity fellow has been funded by the grant to further the City of Oakland Head Start's race and equity work as a program priority.

*Building on Community Resilience to Address Needs*

Housing insecurity and homelessness requires unique and expanded service models to address the rising challenges for families in the community. The City's application for the Health and Human Services grant will expand options available to families struggling with housing insecurity and in close collaboration with the Human Services Department's Community Housing Division, build on existing infrastructure to serve the most vulnerable families and children.

Similarly, COVID-19 has disproportionately affected Head Start families who are more likely to be or have a family member who is an essential worker, live in crowded conditions, and/or to have been impacted economically by reduced hours or job loss. The application will expand on the family support in the areas of job skills and income growth through the support of career ladders, as well as continuing its work on supporting the basic needs of families and children, including food security and health services, including mental health supports.

The Oakland Head Start program will also continue its support of families and teachers in ensuring trauma-informed and healing-centered practices are infused and supported, both in the program's curriculum and in its ongoing wellness training and workshop opportunities for teaching staff, as well as families.

The FCC program will benefit families throughout Oakland and will help strengthen these family childcare businesses by ensuring sustainability, quality childcare, family services and professional growth. The COVID-19 pandemic has had a "devastating economic and human impact on California's childcare and family childcare centers" (Center for the Study of Child Care Employment, July 2020), placing these childcare homes, largely run by women of color, in crisis.

## **ANALYSIS AND POLICY ALTERNATIVES**

The City's Head Start program provides comprehensive early education services to low-income children and families, to help ensure children starting school are ready to succeed. Positive learning environments help guide social and emotional development. Oakland Head Start also supports families with their child's physical health and development, approaches toward learning, communication, language, literacy, and cognition. Head Start and Early Head Start teachers are required to have Bachelor and Associate degrees with specific training in early child development and infant/toddler coursework.

The program also provides teaching staff with ongoing professional development in the use of research-based curriculum, lesson planning, child assessments, developmental and behavioral screenings, and classroom environment assessments. The Oakland Head Start/Early Head Start program is evidence-based, data driven, and designed to provide high-quality comprehensive, coordinated services that include child development & education, health, nutrition, disabilities, and family services support.

The program model also includes parent leadership and advocacy with the Parent Policy Council having decision-making authority over program models and implementation. Parent Advisory Councils at every site along with the overarching City of Oakland Head Start Policy Council, ensure the program goals and services are driven by community voice. Family goals, both related to economic well-being and education, are critical components of the partnership agreement with all families. The needs of families served by the City of Oakland Head Start program are varied, based on the specific communities in which they live.

The overall poverty rate of the city, prior to the COVID-19 pandemic, has remained higher than the state of California's (18 percent compared to 12 percent, respectively). In addition, more than 40 percent of Oakland families speak a language other than English at home, indicating many families that may be linguistically isolated. Other significant issues faced by families that the proposed program will address through its use of varied locally designed, parent-driven options include but are not limited to:

- Racial and geographic inequity, resulting from systemic and institutional failures.
- Housing insecurity and homelessness.
- Linguistic isolation.
- The effects of trauma on children and families.
- Food insecurity
- Job insecurity

At the present time, there are no policy alternatives that will bring about a similar return on investment, while also successfully providing comprehensive, coordinated services that support school readiness and family self-sufficiency and that are designed to assist Oakland's most vulnerable families with children, ages birth through five years old.

The following table (**Table 1**) presents the overall program enrollment that is proposed (and subject to change) for the City of Oakland and early childhood education partners, to provide comprehensive, coordinated, evidence-based center-based, home-based, and family child care Early Head Start/Head Start services in FY 2021-22. **Table 2** presents the proposed slots by grantee operated site.

**Table 1**

| Early Head Start / Head Start Grantee & Partners | Early Head Start Enrollment Proposed | Head Start Enrollment Proposed | Total Program Enrollment Proposed |
|--|--------------------------------------|--------------------------------|-----------------------------------|
| <b>Grantee</b>                                   |                                      |                                |                                   |
| City of Oakland                                  | 169                                  | 144                            | <b>313</b>                        |
| <b>Partner Agencies</b>                          |                                      |                                |                                   |
| Brighter Beginnings Home Based Program           | 120                                  | 20                             | <b>140</b>                        |
| St. Vincent's Day Home                           |                                      | 46                             | <b>46</b>                         |
| Laney College Children's Center                  |                                      | 48                             | <b>48</b>                         |
| Bananas, Inc.                                    | 41                                   | 18                             | <b>59</b>                         |
| TBD Partner                                      |                                      | 16                             | <b>16</b>                         |
| <b>Total Program Enrollment Proposed</b>         | <b>330</b>                           | <b>292</b>                     | <b>622</b>                        |

**Table 2**

| Grantee Operated Sites                            | Head Start | Early Head Start |
|---|------------|------------------|
| 85 <sup>th</sup> Avenue                           | 16         | 18               |
| Brookfield (City)                                 | 32         | 0                |
| Lion Creek Crossing (HS)                          | 16         | 8                |
| Tassafaronga (Becomes HB Site)                    | 0          | 69               |
| Manzanita (Cosmopolitan)                          | 16         | 0                |
| San Antonio CDC                                   | 24         | 0                |
| Sungate   | 24         | 0                |
| Mobile Classroom LDO (Homeless Program)           | 16         | 8                |
| Broadway  | 0          | 24               |
| West Grand  | 0          | 24               |
| San Antonio Park                                  | 0          | 18               |
| Arroyo Viejo (Inclusion and Family Services Site) | N/A        | N/A              |
| <b>TOTAL</b>                                      | <b>144</b> | <b>169</b>       |

Due to the grant reduction, the Franklin site is proposed as a site for closure. Families will be served by the San Antonio Park, Manzanita, Laney and San Antonio CDC sites. The program will also identify FCC partners in this vicinity. The temporary Brookfield OUSD site will no longer be required as renovations are complete on the Brookfield City site. Fannie Wall and Frank G. Mar locations are still under renovation and are not identified as centers for this grant.

The current grant award (FY 2020-21) funds 135.85 full-time equivalent (FTE) staff positions. The new grant award (FY 2021-22) funds 105.5 FTEs. These changes in staffing have been impacted by:

1. Loss of grant revenue by \$5,146,443;
2. Required changes in service providing more Early Head Start slots versus Head Start slots, to address community need the entire system is moving toward Transitional Kindergarten provided by school districts; and
3. Necessary management changes to classifications and roles that address federal review findings. Generally, the changes require all staff to have program and data management and analysis skills that drive program implementation and continuous quality improvement and meet Head Start regulations.

Human Services is working closely with the Employee Relations Division of the Human Resources Management Department to minimize the specific staffing impacts as much as possible while maximizing services to the community and ensuring compliance with federal standards in order to maintain the grant award.

The Unity Council (UC) is currently a delegate agency in the City of Oakland Head Start grant for FY 2020-21 with a contract of \$4,595,874. In the new grant, the Unity Council has been awarded an independent grant for \$5,788,272, and has been funded to serve 368 slots, the same number as they currently serve, with 220 Head Start slots and 148 Early Head Start slots. All 96 part day UC slots will be converted to full day slots. In order to serve the same slots but all full day, UC will be partnering with St. Mary's Preschool in West Oakland and will be opening a new 0-5 center at the former Webster CDC location.

### **FISCAL IMPACT**

The new grant award to the City of Oakland by the Office of Head Start is expected to be to \$12,252,694 to provide 622 children and families with comprehensive early childhood services and 105.5 FTE staff.

This new grant award for FY 21-22 is \$4,926,986 less than the previous year's grant award of \$17,179,680. This grant reduction occurred due to the various funding changes discussed in the previous section. The Human Services Department is requesting a budget and program amendment to reduce its FY 21-22 Approved Budget to align with the program's the new grant award of \$12,252,694 from DHHS/ACF and \$5,833,451 allocated as its GPF match from the FY 2021-2023 Adopted Budget (see **Table 3** below for a detailed breakdown).

Oakland Head Start is required to allocate a twenty-five percent (25%) match in non-federal share, which will be provided from the City's General Purpose Fund (GPF). The administrative costs will be less than the fifteen percent (15%) administrative cap of the basic Head Start and Early Head Start budget, plus In-kind contributions. Funds will be budgeted to provide all required comprehensive Head Start and Early Head Start services in a high-quality, cost-effective manner.

Excluding Training and Technical Assistance, the funding request represents an annual cost per child of \$17,797 for Head Start and a cost of \$20,819 for Early Head Start. The total average federally funded cost per child, including Training and Technical Assistance services, is \$19,699. The cost per child includes serving more Early Head Start children through a full-day, full-year (1,380 hours) center-based program option. Furthermore, the cost per child represents full-day services for a minimum of 180 days in most Head Start classrooms and comprehensive support services including healthcare, mental health and parent engagement. Full-day, full-year services for all children allows Oakland Head Start to address the unmet demand for quality, center-based early care and education services for working families or those pursuing educational and career training goals.

**Cost Summary/Implications**

A. Amount Of Recommendation/Cost Of Project for FY 2021-2022: \$18,086,145.

**Table 3: Head Start Budget Changes with Updated Award Amounts**

| <b>FY 21-22 Head Start Budget Changes</b> | <b>Adopted Budget</b> | <b>Updated Budget</b> | <b>Variance</b>    |
|---|-----------------------|-----------------------|--------------------|
| <b>Revenue Sources</b>                    | <b>Amount</b>         | <b>Amount</b>         | <b>Amount</b>      |
| Federal Grant                             | \$17,179,680          | \$12,252,694          | \$4,926,986        |
| GPF Contribution (including ISF)          | \$3,237,575           | \$3,237,575           | \$0                |
| Full CSO Waiver (estimated amount)        | \$2,595,876           | \$2,595,876           | \$0                |
| <b>Total Revenue Amount</b>               | <b>\$23,013,131</b>   | <b>\$18,086,145</b>   | <b>\$4,926,986</b> |
| <b>Total Budgeted Expenditures*</b>       | <b>\$22,653,029</b>   | <b>\$18,086,145</b>   | <b>\$4,566,884</b> |

\*The difference between revenue and expenditures in the Adopted Budget is due in part to the cost of living adjustment increase added during the Errata, which was balanced across the overall fund but not at the programmatic level.

With this new grant award, the program’s total adjusted budget will become an estimated \$18,086,145. The program’s adjusted budget covers increased staffing costs, including salary, fringe benefits, along with proposed grant agreements shown in **Table 4** to Brighter Beginnings for \$1,092,420, Saint Vincent’s Day Home for \$280,600, Laney College for \$292,800, Banana’s in estimated amount of \$929,486, and new partner to be determined in the estimated amount of \$97,600. This budget will be appropriated to the Human Services Department Fund (2128), Head Start Organization (78231), Head Start Project (1005569); Expansion Early Head Start Project (1005575).

**Table 4: Early Childhood Education Services Grantees**

| <b>Agency Name</b>              | <b>Grant Amount</b> |
|---------------------------------|---------------------|
| Brighter Beginnings             | \$1,092,420         |
| Saint Vincent’s Day Home        | \$280,600           |
| Laney College Children’s Center | \$292,800           |
| Bananas, Inc.                   | \$929,486           |
| <b>TOTAL</b>                    | <b>\$2,595,306</b>  |



SOURCE OF FUNDING: Human Services Department Fund (2128), Head Start Organization (78231), Head Start Project (1005569); and Expansion Early Head Start Project (1005575).

FISCAL IMPACT: Staff requests the necessary full waiver of all Central Services Overhead (CSO) charges projected to be an estimated amount of \$2,595,876 due to the federal administrative cost caps and the level of funding required to adequately operate the program.

The reduction of \$4,926,986 in grant revenue will be addressed through reducing the program's expenditures to avoid an operating shortfall for FY 2021-22. This will be accomplished through a combination of changes in program options, reduction in service sites and corresponding staffing impacts. These changes are also necessitated by State changes in the early childhood landscape and due to federal review findings.

It is likely the Head Start program may receive some augmented funding specifically to address COVID-19 recovery and as such the language to amend these agreements and accept additional funding without returning to Council is critical to be responsive to funding deadlines and family needs.

In addition, the exact final configuration of grantee and partners slots may change modestly, and the program requires authority to adjust these agreements to meet family needs

### **PUBLIC OUTREACH / INTEREST**

This item did not require any additional public outreach other than the required posting on the City's website.

### **COORDINATION**

The City Attorney's Office and the Budget Bureau were consulted in preparation of this report and resolution.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** The grant creates more than 100 jobs, including people directly employed in centers, plus an unknown number of jobs through its economic multiplier effect. Most of these jobs are held by Oakland residents. In addition, Head Start and Early Head Start buys most of its goods and services from Oakland firms or individuals to support its programs.

**Environmental:** There are currently no direct environmental benefits or impacts from the Head Start and Early Head Start program to the City of Oakland.

**Race & Equity:** The Oakland Head Start and Early Head Start program will deliver comprehensive and high-quality services to 622 children and families through FY 2021-2026. In the past year, approximately 73 percent of families served were Black, Indigenous, and People

of Color (BIPOC). Sixty-six percent of families' primary language is non-English. Over 11 percent of families served identify as homeless and 10 percent of children served have a special learning need.

Improving educational and family outcomes and eliminating racial disparities for this community is an explicit goal of the program. The range of services is responsive and appropriate to each child and family's developmental, ethnic, cultural, and linguistic heritage and experience.

Designed to foster healthy cognitive, physical and social-emotional development, individualized services in the areas of education and early childhood development, medical, dental, and mental health services, as well as nutrition, parent involvement/engagement, and family literacy, will be provided for each child and their family.

Recent scientific research has verified what early childhood educators have known for years, which is that how children are nurtured and educated in their youngest years has a significant impact on development, growth, ongoing academic performance and later academic and life success.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator, On Behalf Of The City Of Oakland, To:

1. Accept And Appropriate Head Start Basic And Head Start Training And Technical Assistance, Early Head Start Basic And Early Head Start Training And Technical Assistance Grants For Fiscal Year 2021-2022 From The United States Department Of Health And Human Services, Administration For Children And Families, Office Of Head Start (DHHS/ACF), In An Estimated Amount Of Twelve Million Two Hundred Fifty-Two Thousand Six Hundred Ninety-Four Dollars (\$12,252,694); And
2. Authorize The City Administrator To Take All Necessary Actions For The City To Receive The Head Start Basic, And Training And Technical Assistance, And Early Head Start Basic, And Training And Technical Assistance Grants; And
3. Award Grant Agreements To Fund Comprehensive Early Care, Education, And Family Services For The Head Start Program From July 1, 2021 To June 30, 2022 For A Total Amount Not To Exceed Two Million Five Hundred Ninety-Five Thousand Three Hundred Six Dollars (\$2,595,306) To Service Providers Identified In Table 4; And
4. Accept And Appropriate Additional Federal Grant Funds If They Become Available Within This Grant Term To Fund The Head Start/Early Head Start Program And Amend The Grant Agreements Without Returning To Council.

For questions regarding this report, please contact Diveena Cooppan, Human Services Division Manager, Early Childhood and Family Services, at (510) 238-7186.

Respectfully submitted,



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