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OAKLAND

2013 JUN 27 PM 6:38

AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Kelley Kahn

SUBJECT: Oakland Workforce Investment Board
FY 2013-2014 Budget and Contracts

DATE: June 20, 2013

City Administrator
Approval

Date

6/26/13

COUNCIL DISTRICT: All

RECOMMENDATION

Staff recommends that the City Council adopt the resolution approving the Oakland Workforce Investment Board's Fiscal Year 2013-2014 budget and service provider contracts as presented in this report and the Resolution.

EXECUTIVE SUMMARY

The Fiscal Year 2013-2014 budget presented in this staff report and resolution was adopted by the Oakland Workforce Investment Board (WIB) on June 20, 2013, as were the service provider contracts and contract allocations. City staff conducted a system-wide Request for Proposal process to competitively procure the contracts of the youth and adult service provider recommendations.

Total Workforce Investment Act (WIA) Formula Funding allocated to the City for FY 2013-2014 is down \$403,402 from FY 2012-2013, from \$5,258,398 to \$4,854,996. To compensate for the reduction in Formula funds and maintain increased services, as well as to address the risk of fund de-obligation we faced this year, staff is recommending that we budget \$1,492,422 in one-time carry forward funding.

City costs in FY 13-14 are \$1,550,438, which is an increase of \$129,670 over last year, even with a net reduction of 0.5 FTE for Workforce Development staff and despite a substantially increased workload. The increase in costs is due primarily to a new City Facilities overhead charge of \$120,443, as well as an increase in health insurance costs.

Total service providers program investments for FY 13-14 are \$72,000 higher than FY 12-13. This does not include, however, more than \$1,290,000 in carry-forward funding for previously approved FY 12-13 Youth Service Provider contracts. This figure is shown in

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Table 1 of the Youth Service Allocations. The total program pool of funding for FY 13-14, therefore, will be more than \$5,376,980 compared to \$4,014,758 in FY 12-13.

The program section of the FY 13-14 budget includes a set-aside of \$200,000 for the Mayor's Summer Jobs Program. The Youth Council will take up this item in July regarding the recommended use of that allocation. Staff is recommending a year-round effort for MSJP to increase business participation, improve program and resource development, and enhance program quality.

Staff is recommending a training allocation of \$610,000, which is roughly 18% of our total Adult and Dislocated Worker allocation. SB 734 requires that 25% of WIA Adult and Dislocated Worker Formula funding go towards client training, and allows for match of up to 10%. Oakland's system will have to generate a 7% match, which will come from \$130,434 of Pell Grants, employer contributions to On-the-Job Training (OJTs), and other grants to the System for training. This is easily attainable.

Please refer to Attachment A for the overall proposed budget, which was adopted by the Oakland WIB on June 20, 2013 by a vote of 23 ayes, 0 noes, 1 abstention and 2 recusals.

OUTCOMES

The outcomes of adopting this Resolution is the authorization of the Oakland WIB's FY 2013-2014 budget and the authorization of youth and adult service provider contracts approved by the WIB.

BACKGROUND/LEGISLATIVE

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.

In January 2011, the City assumed many of the administrative duties performed for decades by the Oakland PIC in support of Oakland Workforce Development system. Some of the

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system support functions were still performed by the Oakland PIC through its One Stop Operator contract.

Beginning July 1, 2013, the City will assume all WIA System Administration functions for the Oakland Workforce Development system. In an effort to reduce System Administration and Program Support costs, the City will facilitate technical assistance and training for its service providers in the performance of client eligibility and enrollment, payroll administration and client performance tracking through the Virtual One Stop (VOS) client case management system. Among the City's goals as System Administrator is to build the program and administrative capacity of its service providers, facilitate program partnership and coordination, and attract additional resources to Oakland's Workforce Development system to better serve job seekers and employer customers.

ANALYSIS

Request for Proposal Process and Results

The City Council and the Workforce Investment Act mandate competitive procurement of contracted services. Last year, the City Council directed staff to conduct a competitive process for all WIA-funded contracts prior to seeking approval for a new budget. The Oakland WIB also directed staff to conduct a competitive procurement process for new three-year contracts.

With guidance from a WIB Ad Hoc Committee, staff prepared four Requests for Proposals (RFP) for the following services:

- Comprehensive One Stop Career Center operator (one proposal submitted)
- Employer Services (two proposals submitted)
- Neighborhood Career Centers (six proposals submitted)
- Youth Service Providers (eight proposals submitted)

Staff procured the services of an independent consulting firm, Performance Excellence Partners (PEP), to assemble teams of professional reviewers to read and score each proposal. The Readers scores represented 25 points of the total proposal score. Finalist Presentations were worth up to 40 points and the response to Interview questions was worth 35 points.

Comprehensive One Stop Career Center

Oakland WIB issued Requests for Proposals for its Comprehensive One-Stop Career Center (RFP 4049). The process yielded only one proposal submitted by the Oakland Private Industry Council for the One-Stop Career Center.

According to EDD, if less than three bids are received in response to a competitive solicitation, the competition is determined inadequate based up the One-Stop Comprehensive

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Financial Management Technical Assistance Guide (July 2002 Page 11-10-4); and the EDD Workforce Services Directive No. WSD12-10 (November 30, 2012 Pages 10-11).

Based on the fact that only one response was received for the Comprehensive One-Stop Career Center, staff does not anticipate additional participation to meet the minimum threshold for a competitive procurement. Therefore, the Ad-hoc Committee recommended that the Comprehensive One-Stop Career Center RFP be classified as a Noncompetitive Procurement. A cost analysis will be required. The WIB approved staff's recommendation.

Employer Services

The Unity Council and Manpower Group were the only two respondents for the Employer Services contract (RFP 4048). The Ad-hoc Committee recommended that this RFP be rebid with the prospect of additional interest to meet the minimum threshold of three bids. The WIB approved that recommendation.

Neighborhood One-Stop Career Centers

The Neighborhood One-Stop Career Centers RFP (RFP 4047) requested that applicants specify which geographic area they intended to serve: West Oakland, East Oakland or Central Oakland/Fruitvale. The table below summarizes the points awarded by the PEP reviewers.

Geographic Area	Applicants	PEP Raw Points
West Oakland	Oakland Private Industry Council	97
	Workforce Development Collaborative	87
East Oakland	Oakland Private Industry Council	97
	Youth Uprising	86
Central Oakland	The Unity Council	96
	Lao Family Community Development Inc.	101

The Adult RFP Ad Hoc Committee reviewed the evaluations from PEP and determined that the significant performance gap between the applicants for the West Oakland area and East Oakland area did not require additional follow-up.

The recommendation was to award funding to the Oakland Private Industry Council for both the West and East Oakland areas. The WIB approved the recommendation on March 28, 2013.

Central/Fruitvale Area Neighborhood One Stop Career Center Selection Process

The Lao Family Community Development, Inc. and The Unity Council proposals were more competitive and the Ad Hoc Committee decided to conduct follow-up interviews for the Central Oakland/Fruitvale area. Both organizations performed well in the interviews and

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demonstrated a high level of service to their community. The Committee recommended that staff work with the two organizations to determine if it was feasible given the limitation of funding to retain their valuable services for the Central Oakland/Fruitvale area. Despite good faith efforts by all parties to attempt to broker a partnership, the Unity Council and Lao Family determined that there was not adequate funding to support both agencies. The Ad Hoc Committee reconvened on June 12, 2013 to complete its ranking process. The following table summarizes the adjusted readers' scores based on the 25 point value for that component, and the average scores of each of the three Committee members for the Presentation (40 points) and Interviews (35 points):

Agency	Scoring				
	PEP Raw Score	PEP 25%	Presentation 40%	Interview 35%	Total
Lao Family	101	24	26	22	72
Unity Council	96	23	32	26	81

The consensus recommendation of the Ad Hoc Committee of the WIB was to fund the Unity Council as the Central/Fruitvale Area Neighborhood One Stop Career Center operator.

Please note that full WIB is scheduled to consider the Ad Hoc Committee's recommendation on July 11, 2013. Should the WIB decide to reject the Ad Hoc Committee's recommendation, staff will withdraw the Unity Council contract recommendation on the floor at City Council on July 16, 2013.

Youth Service Providers

A Youth Service Provider Ad Hoc Committee composed of members different from the Adult Ad Hoc Committee reviewed each of the eight proposals submitted and was briefed by the PEP team on their rankings and the basis of their rankings. The Ad Hoc Committee decided to interview all eight applicants. The interviews were all conducted on the same day and in the exact same manner. As with the Adult Service Provider selection process, staff facilitated the meetings but did not participate or weigh in on the Committee's decisions.

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Agency	PEP	Scoring			Total 100%
		PEP 25%	Presentation 40%	Interview 35%	
Youth Radio	89	21	36	33	90
Civicorps Schools	96	23	35	31	89
Lao Family Community Development	87	21	31	35	87
Youth Employment Partnership	93	22	34	20	76
Youth UpRising	78	19	29	27	75
First Place for Youth	94	22	20	17	59
GRIP/Pivotal Point	89	21	13	13	47
East Bay Spanish Speaking Citizens Foundation	62	15	15	16	46

The five Youth Service Providers the Ad Hoc Committee recommended and the Oakland WIB approved on March 28, 2013 for FY 2013-2015 contracts are as follows:

- Youth Radio
- Civicorps Schools
- Lao Family Community Development
- Youth Employment Partnership
- Youth UpRising

The budget amounts for each of the Adult and Youth Service Provider contracts are reflected in this report and the Resolution.

RFP Complaint

The City received a formal complaint regarding the RFP process shortly after the RFP was released. The City Administrator appointed a Hearing Officer, the Manager of the Office of Contracts and Compliance, to review the complaint. The Hearing Officer thoroughly

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reviewed the complaint and conducted a formal Hearing with an independent consultant. The Hearing Officer issued a formal denial of the complaint based on all of the information provided by all parties. An appeal of the denial was filed with the State Employment Development Department and is pending a decision by a State Review Panel.

Staff and the WIB have decided to move forward with the contract and funding recommendations in this report and Resolution or risk service delivery and funding interruptions for our entire Workforce System.

Contract and Funding Recommendations

Youth Service Provider Budget Recommendations

The funding recommendations presented on the following table were approved by the Youth Council on May 29, 2013, and the full WIB June 20, 2013.

TABLE 1

FY13-15 Youth Contractors				
Provider	Total Award	IS	OS	Total
Youth Radio	\$208,980	N/A	40	40
Civicrops Schools	\$225,000	N/A	48	48
Lao Family Community Development	\$250,000	27	24	51
Youth Employment Partnership	\$300,000	30	30	60
Youth UpRising	\$250,000	25	10	35
TOTALS:	\$1,233,980	82	152	234

Note: "IS" stands for In-School Youth and "OS" stands for Out-of-School Youth.

Adult Service Provider Budget Recommendations

Table 2 (below) presents the Adult FY 13-14 budget allocations approved by the Oakland WIB on June 20, 2013, including the OPJC's role in providing technical assistance and training for our service providers through December 31, 2013, and for Oakland's contribution to EASTBAY Works. Please note that the selection of a service provider for

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Central Oakland has not been fully resolved. An Ad Hoc Committee of the WIB is recommending the Unity Council as the Neighborhood One Stop Career Center service provider for the Central/Fruitvale area. *The WIB is scheduled to meet and act on this contracting decision July 11, 2013.*

TABLE 2

Organization	Program Amount	Adult Training	Dislocated Worker Training	Support Services	Total Awards
City of Oakland Dept. of Human Services - ASSETS	\$130,000	\$10,000		\$5,000	\$145,000
Oakland PIC -- Comprehensive Career Center	\$1,500,000	\$145,000	\$250,000	\$50,000	\$1,945,000
Oakland PIC. -- Technical Assistance	\$132,000				\$132,000
Oakland PIC. -- EASTBAY Works Admin.	\$90,000				\$90,000
Oakland PIC-- Neighborhood Career Center West	\$270,000	\$30,000	\$20,000	\$15,000	\$335,000
Oakland PIC-- Neighborhood Career Center East	\$150,000	\$30,000	\$20,000	\$15,000	\$215,000
The Unity Council-- Neighborhood Career Center Central	\$270,000	\$30,000	\$20,000	\$15,000	\$335,000
TOTALS:	\$2,542,000	\$245,000	\$310,000	\$100,000	\$3,197,000

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Program Performance Projections

Following is a summary of the program performance results the WIB expects of its service providers.

Youth Service Providers

Performance Objective 1	Performance Standard		
Enrollment	100% of youth served will be determined eligible and enroll into WIA youth programs		
	IS	OS	Total
Lao Family Community Development	27	24	51
Civicorps Schools	0	48	48
Youth Radio	0	40	40
Youth Employment Partnership	30	30	60
Youth UpRising	25	10	35

Performance Objective 2	Performance Standard		
Complete pre-employment and soft skills training; skills attainment	80% of youth served will successfully complete educational training as identified in the Individual Service Strategy (ISS)		
	IS	OS	Total
Lao Family Community Development	22	19	41
Civicorps Schools	0	38	38
Youth Radio	0	32	32
Youth Employment Partnership	24	24	48
Youth UpRising	20	8	28

Performance Objective 3	Performance Standard		
Completion of subsidized or unpaid work experience	80% of participants will complete subsidized work experience for a minimum of 96 hours		
	IS	OS	Total
Lao Family Community Development	22	19	41
Civicorps Schools	0	38	38
Youth Radio	0	32	32
Youth Employment Partnership	24	24	48
Youth UpRising	20	8	28

Performance Objective 4	Performance Standard		
Entered employment/obtained diploma or GED or certificate/ Improvement in literacy and numeracy	70% of youth served will have obtained one or more of the following: Unsubsidized employment/enrollment into post-secondary education, attainment of a diploma, GED or certificate and improvement in literacy and numeracy		
	IS	OS	Total
Lao Family Community Development	19	17	36
Civicorps Schools	0	34	34
Youth Radio	0	28	28
Youth Employment Partnership	21	21	42
Youth UpRising	18	7	25

Performance Objective 5	Performance Standard		
12 month follow up after participant exits the program	Follow up will occur quarterly after exit a minimum of 12 months after participant exits the program (100% of exited participants)		
	IS	OS	Total
Lao Family Community Development	27	24	51
Civicorps Schools	0	48	48
Youth Radio	0	40	40
Youth Employment Partnership	30	30	60
Youth UpRising	25	10	35

Adult Service Providers

Organization	Performance Measures through June 30, 2015	
	Intensive Services	Job Placements
City of Oakland Dept. of Human Services - ASSETS	26	18
Oakland PIC – Comprehensive Career Center	1,150	978
Oakland PIC-- Neighborhood Career Center West	50	42
Oakland PIC-- Neighborhood Career Center East	25	21
The Unity Council-- Neighborhood Career Center Central	50	42
TOTALS:	1,301	1,101

WIB Budget Proposal

The WIB budget proposal will ensure that the carry-forward funds that have been accumulated are used productively to help with the delivery of services to clients. The vision behind this budget strategy is to position Oakland to attract additional sources of revenue for our Workforce Development System.

Revenue

Total Formula Funding for FY 2013-2014 is down \$403,402 from FY 2012-2013, from \$5,258,398 to \$4,854,996. To compensate for the reduction in Formula funds and increased services, as well as to avoid the fear of fund de-obligation we faced this year, staff is recommending that we budget \$1,492,422 in one-time carry forward funding. Last year, we budgeted \$751,690 in carry-forward funds.

Programs

Total program investments for FY 13-14 are \$72,000 higher than FY 12-13. This does not include, however, more than \$1,290,000 in carry-forward funding for previously approved

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FY 12-13 Youth Service Provider contracts. This figure is shown in Table 1 of the Youth Service Allocations memorandum. The total program pool of funding for FY 13-14, therefore, will be more than \$5,376,980 compared to \$4,014,758 in FY 12-13.

In the Program section of the FY 13-14 budget is a set-aside of \$200,000 for the Mayor's Summer Jobs Program. The Youth Council will take up this item in July regarding the recommended use of that allocation. Staff is recommending a year-round effort for MSJP to increase business participation, fund development, program coordination, and program quality.

Training

SB734 requires that at least 25% of Adult and Dislocated Worker Formula Funds go towards training. That comes to \$740,435 for Oakland. WIB's may elect to allocate 15% of these funds for training and show leverage the remaining 10%. The Oakland WIB elected to do that in FY 12-13. Staff is in the process of gathering the leverage declarations, which we will significantly exceed the requirement. For FY 13-14, staff is recommending a training allocation of \$610,000, which is roughly 18% of our total Adult and Dislocated Worker allocation, thus requiring leverage of 7%, or \$130,434. This is easily attainable.

Staff is recommending that the WIB reserve \$55,000 in Dislocated Worker funds as match for a Discretionary Grant application the City intends to submit to the State to fund a special On-the-Job Training program to serve long-term unemployed clients.

System Administration and Program Support

City costs of \$1,550,438 are an increase of \$129,670, even with a net reduction of 0.5 FTE for Workforce Development staff and despite a substantially increased workload. The increase is due primarily to a new City Facilities charge of \$120,443, as well as to an increase in health insurance cost.

To put this overall System Administration costs in perspective, last year the City/WIB paid the Oakland PIC more than \$500,000 to serve as the One Stop Operator, which was for client eligibility and enrollment services, and administration of the Virtual One Stop (VOS) client performance tracking system. The City received \$1,420,768 for his expanded role as the System Administrator, for a total cost of \$1,920,768. With the City assuming all System Administration functions beginning July 1, 2013, the structural savings to the City/WIB will be roughly \$400,000. To support a smooth transition for our service providers, the FY 13-14 WIB budget contains a one-time charge of \$132,000 for transitional support from experienced staff with the Oakland PIC to provide training and technical assistance on client eligibility and enrollment and VOS client performance tracking.

Please refer to Attachment B for a historic breakdown of Oakland Workforce System Administration and Program Support costs.

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. Workforce Development is now a unit of the new Department of Economic and Workforce Development under the one director.

COST SUMMARY/IMPLICATIONS

1. Amount of Recommended Funding

Revenue

Total Formula Funding for FY 2013-2014 is down \$403,402 from FY 2012-2013, from \$5,258,398 to \$4,854,996. To compensate for the reduction in Formula funds and increased services, as well as to avoid the fear of fund de-obligation we faced this year, staff is recommending that we budget \$1,500,000 in one-time carry forward funding. Last year, we budgeted \$751,690 in carry-forward funds.

WIA System Administration and Program Support

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2. Source of Funding:

The source of funding is Workforce Investment Act Fund 2195, which are grant funds awarded to the City on an annual basis from the U.S. Department of Labor by way of a Sub-Grant Agreement with the State of California Employment Development Department.

3. Fiscal Impact:

The funds and programs overseen by the Oakland Workforce Investment Board are federally funded program. The budget and contracting decisions, which are part of this report and Resolution, have no direct impact on the City's General Purpose Fund.

PAST PERFORMANCE/EVALUATION AND FOLLOW-UP

Program

Please refer to Attachment C for a summary of program performance by the selected service providers. Overall, the Oakland Workforce Investment Area is meeting its State mandated performance standards.

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System Administration and Program Support

Regarding performance of the WIA System Administrator, the City has made improvements in its ability to execute contracts and process invoices in a more timely manner than in previous years. Assuming the WIB FY 2013-2014 budget is adopted by the City Council on July 16, 2013, it is staff's intent to have FY 13-14 contracts in place and executed effective July 1, 2013, and advances processed, by July 31, 2013. The reason for the effective contract date of July 1, 2013 is to ensure there is no interruption in program services and funding for our service providers. This July 1 effective date is also consistent with the effective date of the WIA formula funding, which for FY 2013-2014 is July 1, 2013. This will be the first time in several years that contracts will be in place and funds advanced to allow service providers the full two years allowed to expend the WIA funds.

Staff also intends to facilitate a greater level of program support for our service providers than in prior years, designed to build their capacity in client eligibility determination and enrollment, client tracking through the automated Virtual One Stop System (VOS), and other forms of technical assistance and training for the use of best program practices.

In addition, City staff has been convening Adult and Youth Service providers to coordinate efforts around program development and program implementation, which has generated improved levels of agency interaction and best-practices sharing than in previous years.

On top of all of these tasks, City staff as the System Administrator, continue to serve the City's largest policy and oversight body by far, and to advance the Board's progressive strategic and operational agenda.

Regarding the 10% WIA Administration cost cap, the City of Oakland remains within the required limit as determined by independent monitoring by the Employment Development Department. Much of what City staff performs in support of Oakland's Workforce Development System and its service providers are allowable program costs, and are correctly classified as such. While System Administrator is the term commonly used to define City staff's role in support of the WIB and our WIA funded programs, the bulk of the work staff performs is in the area of Program Support.

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.

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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,



Kelley Kahn, Director
Department of Economic and Workforce
Development

Reviewed by:
John R. Bailey, Executive Director
Oakland Workforce Investment Board

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

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Oakland Workforce Investment Board - Program Year 2013-14 Budget

	Line Items	ADULT	DISLOCATED WORKER	RAPID RESPONSE	YOUTH	FY 12-13 Carry Forward Allocation	FY 13-14 Allocation	% of 13-14 Allocation	FY 13-14 Proposed Budget	% of Total Proposed Budget
1	WIA FY 13-14 Allocations	\$ 1,621,270	\$ 1,340,464	\$ 250,000	\$ 1,643,262		\$ 4,854,996		\$ 4,854,996	76%
2	FY 12-13 Carry-Forward	\$ 143,725	\$ 949,536	-	\$ 399,161	\$ 1,492,422			\$ 1,492,422	24%
3	Total Revenue	\$ 1,764,995	\$ 2,290,000	\$ 250,000	\$ 2,042,423	\$ 1,492,422	\$ 4,854,996		\$ 6,347,418	100%
4	ASSETS^^	\$ 130,000	\$ -	-	-		\$ 130,000	3%	\$ 130,000	2%
5	Comprehensive Career Center^^	\$ 450,000	\$ 850,000	\$ 200,000	-		\$ 1,500,000	31%	\$ 1,500,000	24%
6	Systems Technical Assistance^^	\$ 25,000	\$ 57,000	-	\$ 50,000		\$ 132,000	3%	\$ 132,000	2%
7	Neighborhood Career Centers^^	\$ 396,500	\$ 293,500	-	\$ -		\$ 690,000	14%	\$ 690,000	11%
8	Employer Services	\$ 25,000	\$ 50,000	\$ 25,000	\$ 11,000		\$ 111,000	2%	\$ 111,000	2%
9	Year-Round Youth Programs ^	-	-	-	\$ 1,233,980		\$ 1,233,980	25%	\$ 1,233,980	19%
10	EASTBAY Works^^	\$ 40,000	\$ 40,000	-	\$ 10,000		\$ 90,000	2%	\$ 90,000	1%
11	Mayor's Summer Jobs Program	-	-	-	\$ 200,000		\$ 200,000	4%	\$ 200,000	3%
12	Subtotal of Programs	\$ 1,066,500	\$ 1,290,500	\$ 225,000	\$ 1,504,980		\$ 4,086,980	84%	\$ 4,086,980	64%
13	Adult/DW Training Funds^^	\$ 245,000	\$ 365,000	-	-		\$ 610,000	13%	\$ 610,000	10%
14	Adult/DW Supportive Services^^	\$ 50,000	\$ 50,000	-	-		\$ 100,000	2%	\$ 100,000	2%
15	Subtotal of Direct Client Support	\$ 295,000	\$ 415,000				\$ 710,000	15%	\$ 710,000	11%
16	Total Program Expenditure	\$ 1,361,500	\$ 1,705,500	\$ 225,000	\$ 1,504,980		\$ 4,796,980	99%	\$ 4,796,980	76%
17	Professional Services	\$ 23,191	\$ 25,000	-	\$ 25,000		\$ 60,000	0.3%	\$ 60,000	1%
18	Operation & Maintenance	\$ 10,000	\$ 10,000	-	\$ 15,000		\$ 28,000	0.1%	\$ 28,000	1%
19	Facilities	\$ 35,000	\$ 45,000	-	\$ 40,443		\$ 96,384	0.5%	\$ 96,384	2%
20	ADA Compliance	\$ 4,500	\$ 4,500	-	\$ 9,000		\$ 14,400	0.1%	\$ 14,400	0.3%
21	System Administration Personnel	\$ 330,804	\$ 500,000	\$ 25,000	\$ 448,000		\$ 1,293,638	0.2%	\$ 1,293,638	21%
22	Subtotal of System Administration and Program Support	\$ 403,495	\$ 584,500	\$ 25,000	\$ 537,443	\$ 1,492,422	\$ 58,016	1%	\$ 1,550,438	32%
23	Total Expenditure	\$ 1,764,995	\$ 2,290,000	\$ 250,000	\$ 2,042,423	\$ 1,492,422	\$ 4,854,996	100%	\$ 6,347,418	100%

Revised: 6/20/2013

^ Refer to Table 1 for Year-Round Youth Programs funding recommendations presented by agency

^^ Refer to Table 2 for Adult Service Provider funding recommendations presented by agency

OAKLAND WORKFORCE DEVELOPMENT SYSTEM ADMINISTRATION

COST HISTORY

Background

Since the inception of the Workforce Investment Act (WIA) in Oakland in June 2000 through December 2010, the City had a bifurcated System Administration and Program Support structure between the Oakland Private Industry Council and the City's Workforce Development Unit.

In January 2011, the City assumed the role as System Administrator, but continued to rely on the Oakland Private Industry Council (PIC) to perform crucial System support functions in the capacity of the One Stop Operator.

Effective July 1, 2013, the City's Workforce staff will assume all WIA System Administrator and Program Support functions. Much has been said of late about the amount of funds the City is allocated to perform its roles as the WIA Sub-grant recipient, ultimately responsible for program performance, fiscal and program compliance monitoring, and staff of the City's largest policy body—the Oakland Workforce Investment Board (WIB). The Workforce staff also coordinates the Mayor's Summer Jobs Program, the Day Laborer Program, and manages the development and operations of the West Oakland Job Resource Center, among other Workforce related duties not specifically under the direction of the WIB. Following is a historic breakdown of WIA System Administration costs since FY 2004-2005:

HISTORIC OVERVIEW OF WIA SYSTEM ADMINISTRATION COSTS 2004-2013					
	OPIC System Administration/ One Stop Operator Support	City Workforce Development WIA System/ WIB Support	Total System Support Cost	Total Budget	Percentage of Budget
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	\$1,550,438	\$1,550,438	\$6,347,418	24.4%
TOTALS:	\$7,942,737	\$9,317,557	\$17,260,294	\$67,177,754	25.7%

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

SERVICE PROVIDER PERFORMANCE DATA

Performance data for Adult providers has been prepared by the Oakland Private Industry Council on behalf of the City of Oakland based on information gathered from the Virtual One-Stop system and other reported data submitted. These data have been reported to the System Leadership Committee for the FY 12-13 program year.

Service Provider	Category	Total Enrolled	Enrlmt Goal 7/1/12 to 6/30/13	% of contract Enrlmnt Goal (C/D)
PIC	Adult	491	800	61%
	DWs	226	200	113%
English Center	Adult	41	64	64%
	DWs	3	16	19%
Lao Family	Adult	38	38	100%
	DWs	6	8	75%
Unity Council	Adult	43	50	86%
	DWs	10	10	100%
DHS - ASSETS	Adult	32	30	107%
	DWs	NA	NA	NA
Totals		890	1216	73%
Adults		645	982	66%
Dislocated Workers		245	234	105%

Table 1 represents the enrollments for the first 3 quarters of Program Year 2012-13. Service Providers have another quarter to meet their enrollment goals. The adult service providers that are recommended for funding for 2013-15 are the PIC, Lao Family and DHS- ASSETS. For the most part, these providers are on track to meet their enrollment goals, with most providers already at 100% of their goal. The PIC is making progress toward increasing their Adult enrollments and is currently at 70% of their 800 goal.

Table 2							
Service Provider	Category	Total Exited	Confirmed Employment	% of Plmnts to Exits (D/C)	State Goals	Success Rate (E/F)	Average Wage
PIC	Adult	182	154	84.62%	68.00%	124.43%	\$13.0
	DWs	51	47	92.16%	74.00%	124.54%	\$16.4
English Center	Adult	23	23	100.00%	68.00%	147.06%	\$12.1
	DWs	8	8	100.00%	74.00%	135.14%	\$18.9
Lao Family	Adult	36	30	83.33%	68.00%	122.55%	\$10.7
	DWs	5	5	100.00%	74.00%	135.14%	\$10.1
Unity Council	Adult	22	20	90.91%	68.00%	133.69%	\$13.1
	DWs	6	6	100.00%	74.00%	135.14%	\$14.0
DHS	Adult	17	12	70.59%	68.00%	103.81%	\$13.0
	DWs	NA	NA	NA	74.00%	NA	NA
Totals		350	305	87.14%			
Adults		280	239	85.36%	68.00%	125.53%	
Dislocated Workers		70	66	94.29%	74.00%	127.41%	

Table 2 represents exits and placements for the first 3 quarters of Program Year 2012-13. Service Providers have another quarter to meet the state performance goal. All Service Providers have exceeded state performance goals for both Adult and Dislocated Worker programs.

The following tables are youth program performance data based on performance benchmark accomplishments for FY 2011-12 and 2012-13. These objectives and standards, based on WIA Common Measures and negotiated outcomes with each youth agency, are designed to develop the necessary skills for the workforce and ensure educational success. The youth providers that are recommended for funding for 2013-15 are Lao Family, Youth Employment Partnership, Youth Uprising, Civicorps and Youth Radio.

Performance data for current providers are based on data from the Virtual One Stop Database. Data for newly recommended youth providers have been provided by those agencies. Note that program years 2011-12 and 2012-13 contracts were not executed on time and services did not start immediately.

Table 3				
Eligibility determination and enrollment	100% of youth served will be determined eligible and enroll into WIA youth programs			
	2011-12		2012-13	
	Actual	Goal	Actual	Goal
Lao Family Community Development, Inc.	54	45	43	51
Pivotal Point	36	70	19	78
Spanish Speaking	36	34	23	38
Youth Employment Partnership	82	77	75	87
Youth Uprising	23	19	23	21
Civicorps	107	n/a	117	n/a
Youth Radio	59	n/a	63	n/a

Table 3 represents enrollment program years 2011-12 and for the first 3 quarters of Program Year 2012-13. Service Providers have another quarter in 2012-13 to meet their performance goals, most have exceed goals or are on track to meeting goals.

Table 4		
Complete pre-employment and soft skills training; skills attainment	80% of youth served will successfully complete educational training as identified in the ISS	
	2011-12	2012-13
Lao Family	24	31 (10 pending completion)
Pivotal Point	18	0 (21 pending completion)

Spanish Speaking	9	28 (25 pending completion)
Youth Employment Partnership	65	8 (63 pending completion)
Youth Uprising	22	0 (26 pending completion)
Civicorps	51	34
Youth Radio	70	75

Table 4 represents training provided for program years 2011-12 and for the first 3 quarters of Program Year 2012-13. Service Providers have another quarter to meet their performance goals. In 2012-13 most participants are still enrolled in training and are pending completion.

Table 5		
Completion of subsidized or unpaid work experience	80% of participants will complete subsidized work experience for a minimum of 96 hours up to 120 hours	
	2011-12	2012-13
Lao Family	29	22 (11 pending completion)
Pivotal Point	25	0 (36 pending completion)
Spanish Speaking	15	1
Youth Employment Partnership	60	2 (9 pending completion)
Youth Uprising	20	0 (9 pending completion)
Civicorps	44	35
Youth Radio	130	145

Table 5 represents work experience for program years 2011-12 and for the first 3 quarters of Program Year 2012-13. Service Providers have another quarter to meet their performance goals. In 2012-13 most participants are still enrolled in work experience and are pending completion.

Table 6		
Entered employment/obtained diploma or GED or certificate/ Improvement in literacy and numeracy	70% of youth served will have obtained one or more of the following: Unsubsidized employment/enrollment into post-secondary education, attainment of a diploma/GED/certificate, improvement in literacy and numeracy	
	2011-12	2012-13
Lao Family	52	31
Pivotal Point	17	1
Spanish Speaking	12	14
Youth Employment Partnership	116	24

Youth Uprising	23	0
Civicorps	49	64
Youth Radio	18	46

Table 6 employment and education outcomes for program years 2011-12 and for the first 3 quarters of Program Year 2012-13. Service Providers have another quarter to meet their performance goals. Because enrollments began late, most participants are still enrolled in programs and are pending completions.

FILED
OFFICE OF THE CITY CLERK
OAKLAND

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

2013 JUN 27 PM 6:38

OAKLAND CITY COUNCIL
RESOLUTION No. _____ C.M.S.

A RESOLUTION (1) ADOPTING THE FISCAL YEAR 2013-2014 WORKFORCE INVESTMENT BUDGET; (2) ACCEPTING AND APPROPRIATING WORKFORCE INVESTMENT ACT (WIA) TITLE I FUNDS FOR ADULT, DISLOCATED WORKER, AND YOUTH PROGRAMS IN THE AMOUNT OF \$4,854,996; AND (3) AUTHORIZING CONTRACTS WITH SERVICE PROVIDERS COMPETITIVELY SELECTED BY THE OAKLAND WORKFORCE INVESTMENT BOARD TO PROVIDE ADULT, DISLOCATED WORKER, AND YOUTH SERVICES 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 total allotment of WIA Title I funds for Fiscal Year 2013-14 is \$4,854,996; and

WHEREAS, the City of Oakland also has \$1,500,000 in carry-forward funds previously approved and appropriated by the City Council; and

WHEREAS, the Mayor and Oakland Workforce Investment Board have approved a budget for all said funds; and

WHEREAS, the WIB has selected through a competitive Request for Proposals process those service providers specified below to provide employment and training services to adults, dislocated workers and youth; now, therefore, be it

RESOLVED: That the City hereby accepts WIA Title I funds for Fiscal Year 2013-2014 in the amount of \$4,854,996; and be it

FURTHER RESOLVED: That the City Council hereby adopts the following Fiscal Year 2013-2014 workforce investment budget, and appropriates funds in Fund 2195, Organization 02971, as set forth in Table 1, below;

8

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE.**

JUL - 9 2013

TABLE 1

	Line Items	ADULT	DISLOCATED WORKER	RAPID RESPONSE	YOUTH	FY 13-14 Proposed Budget
1	WIA FY 13-14 Allocations	\$1,621,270	\$1,340,464	\$250,000	\$ 1,643,262	\$ 4,854,996
2	FY 12-13 Carry-Forward	\$143,725	\$949,536	-	\$399,161	\$ 1,492,422
3	Total Revenue	\$1,764,995	\$2,290,000	\$250,000	\$2,042,423	\$6,347,418
4	ASSETS	\$130,000	-	-	-	\$ 130,000
5	Comprehensive Career Center	\$450,000	\$850,000	\$200,000	-	\$ 1,500,000
6	Systems Technical Assistance	\$ 25,000	\$ 57,000	-	\$ 50,000	\$ 132,000
7	Neighborhood Career Centers	\$396,500	\$293,500	-	\$ -	\$ 690,000
8	Employer Services	\$25,000	\$ 50,000	\$25,000	\$ 11,000	\$ 111,000
9	Year-Round Youth Programs	-	-	-	\$1,233,980	\$ 1,233,980
10	EASTBAY Works^^	\$ 40,000	\$ 40,000	-	\$ 10,000	\$ 90,000
11	Mayor's Summer Jobs Program	-	-	-	\$ 200,000	\$ 200,000
12	Subtotal of Programs	\$1,066,500	\$1,290,500	\$225,000	\$ 1,504,980	\$ 4,086,980
13	Adult/DW Training Funds	\$ 245,000	\$ 365,000	-	-	\$ 610,000
14	Adult/DW Supportive Services	\$ 50,000	\$ 50,000	-	-	\$ 100,000
15	Subtotal of Direct Client Support	\$ 295,000	\$ 415,000	-	-	\$ 710,000
16	Total Program Expenditure	\$1,361,500	\$1,705,500	\$225,000	\$1,504,980	\$4,796,980
17	Professional Services	\$ 23,191	\$ 25,000	-	\$ 25,000	\$ 73,191
18	Operation & Maintenance	\$ 10,000	\$ 10,000	-	\$ 15,000	\$ 35,000
19	Facilities	\$ 35,000	\$ 45,000	-	\$ 40,443	\$ 120,443
20	ADA Compliance	\$ 4,500	\$ 4,500	-	\$ 9,000	\$ 18,000
21	System Administration Personnel	\$ 330,804	\$ 500,000	\$ 25,000	\$ 448,000	\$ 1,303,804
22	Subtotal of System Administration and Program Support	\$ 403,495	\$ 584,500	\$ 25,000	\$ 537,443	\$ 1,550,438
23	Total Expenditure	\$1,764,995	\$2,290,000	\$250,000	\$2,042,423	\$6,347,418

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 2013-2014 WIA funds to provide adult and dislocated worker employment and training services with the following service providers in not-to-exceed-amounts set forth in Table 2, below;

TABLE 2

Organization	Program Amount	Adult Training	Dislocated Worker Training	Support Services	Total Awards	Performance Measures through June 30, 2015	
						Intensive Services	Job Placements
City of Oakland Dept. of Human Services - ASSETS	\$130,000	\$10,000		\$5,000	\$145,000	26	18
Oakland PIC. – Comprehensive Career Center	\$1,500,000	\$145,000	\$250,000	\$50,000	\$1,945,000	1,150	978
Oakland PIC – Technical Assistance	\$132,000				\$132,000	N/A	N/A
Oakland PIC. – EASTBAY Works	\$90,000				\$90,000	N/A	N/A
Oakland PIC -- Career Center West	\$270,000	\$30,000	\$20,000	\$15,000	\$335,000	50	42
Oakland PIC --Career Center East	\$150,000	\$30,000	\$20,000	\$15,000	\$215,000	25	21
The Unity Council -- Career Center Central	\$270,000	\$30,000	\$20,000	\$15,000	\$335,000	50	42
TOTALS	\$2,542,000	\$245,000	\$310,000	\$100,000	\$3,197,000	1,301	1,101

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 2013-2014 WIA funds to provide youth employment and training services with the following service providers in not-exceed-amounts set forth in Table 3, below;

TABLE 3

FY13-14 Youth Contractors				
Provider	Total Award	In School	Out of School	Total
Youth Radio	\$208,980	N/A	40	40
Civicorps Schools	\$225,000	N/A	48	48
Lao Family Community Development	\$250,000	27	24	51
Youth Employment Partnership	\$300,000	30	30	60
Youth Uprising	\$250,000	25	10	35
TOTALS:	\$1,233,980	82	152	234

and be it

FURTHER RESOLVED: That the City Administrator is authorized to provide each agency receiving WIA FY 2013-2014 funds a cash advance of up to 25% of the total contract amount approved herein for direct service program start-up and initial payroll costs; and be it

FURTHER RESOLVED: That the City Council acknowledges that a formal complaint was filed against the Request for Proposal process; that a Hearing Officer appointed by the City Administrator thoroughly reviewed the complaint and conducted a formal hearing with an independent consultant; that the Hearing Officer issued a formal denial of the complaint based on all of the information provided her; that an appeal of that denial was filed with the State Employment Development Department and is pending a decision by a State Review Panel; and that the City Council authorizes the City Administrator to proceed with the contracts approved by the Workforce Investment Board and contained in this Resolution; and be it

FURTHER RESOLVED: That each contract for workforce development activities funded with WIA Title I funds shall have a written performance benchmarks consistent with WIA regulations, and that the City shall terminate the contract of a service provider that materially fails to meet 50-75% of contract performance benchmarks and reallocate funds to other providers that meet their benchmarks; and be it

FURTHER RESOLVED: That the City Council authorizes the allocation of \$1,550,438 in WIA funding to support a total of 8.01 full-time equivalent City staff positions and \$246,634 for City operations and maintenance costs, including an additional full-time Administrative Analyst II, to support the City's role as the System Administrator for the Oakland workforce development system from WIA FY 2012-2013 carry-forward and FY 2013-2014 Formula funds; and be it

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, _____

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

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