

2018 JUL -3 AM 10:08



AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Sara Bedford
Director, Human Services

SUBJECT: Oakland Head Start as Sub-
Contractor with Oakland Unified
School District – Early Childhood
Education Program FY 2018-2019

DATE: June 18, 2018

City Administrator Approval

Clifton Jefferson

Date:

6/29/18

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution 1) Authorizing The City Administrator To Enter Into A Sub-Contract With Oakland Unified School District To Receive State Funding In An Estimated Amount Of \$200,000 To Provide California General Child Care Services To Eligible Participants, Ages Birth To Three Years Old, Effective July 1, 2018 Through June 30, 2019; And Accept And Appropriate Said Funding; And 2) Authorize The General Purpose Fund Contribution In The Amount Of \$29,795 To Cover Central Service Overhead Costs As Included In The FY2018-19 Midcycle Proposed Budget.

EXECUTIVE SUMMARY

The Local Education Agency (LEA), Oakland Unified School District (the "District"), accepted funding from the California Department of Education for the District's Early Childhood Education programs for the 2018-19 fiscal year, and is interested in partnering with the City of Oakland Early Head Start program to ensure supports for Oakland's neediest families.

The City of Oakland has many years of experience in providing quality and comprehensive child care and early childhood education, has experience in administering subcontracts with Local Education Agencies, such as the District, and has no audit, performance or fiscal exceptions that would make it ineligible to subcontract with the District.

In response to the opportunity, the Oakland Early Head Start program has identified eligible birth to three year olds, currently enrolled in Early Head Start sites (Lion Creek; Broadway; West Grand; Arroyo; and San Antonio Park). Eligible families enrolled in Early Head Start will be able to be enrolled in the General Child Care (CCTR) grant, as well. This leveraging supports the program in meeting the new full day, full year programming mandates.

Item: _____
Life Enrichment Committee
July 17, 2018

BACKGROUND / LEGISLATIVE HISTORY

The City of Oakland has been a grantee of the Head Start Program since January 1971 serving Head Start eligible families with children, ages three to five years old. In 1988, the City entered into a grantee-delegate relationship with the Unity Council to serve additional Head Start eligible families and children in the Fruitvale District of Oakland.

In 2009, the City of Oakland became a direct grantee of the Early Head Start Program, through the American Recovery and Reinvestment Act (ARRA) and United States Department of Health and Human Services, Administration for Children and Families, making it possible to serve additional Early Head Start eligible families and children in Oakland.

In program year 2016-17, the City successfully entered into a contract with Oakland Unified School District for CCTR program funds to extend Early Head Start services.

ANALYSIS AND POLICY ALTERNATIVES

As Federal Head Start funding has been relatively flat for many years, the Federal government acknowledges that agencies need to blend State investment with their programs to meet quality pre-school standards. Given changing Head Start standards requiring full day, full year programming and an expansion of Early Head Start, a more expensive model, blended funding is critical to sustain quality programs.

The City of Oakland's investment in the growing partnership with Oakland Unified School District's Early Childhood Education Program, along with the current subcontracting opportunity presented, will be a further investment in supporting the Mayor's cradle-to-career community initiative, The Oakland Promise. At the present time, there are no policy alternatives that will bring about a similar return on investment, while also successfully providing comprehensive services that support school readiness and family self-sufficiency that are designed to assist Oakland's most vulnerable families with children, age's birth through five-years-old. Accepting these funds will help ensure high quality programming and a balanced budget for the Early Head Start program. Electing not to enter into this funding agreement would result in a program deficit for Early Head Start as a result of increasing salary costs.

FISCAL IMPACT

The City will receive an estimated \$200,000, with the potential for additional funds, if available, from July 1, 2018 through June 30, 2019, from the District. The District, as subcontractor, may recover a 7.5 percent administrative contract management fee under State regulations, which is equivalent to \$15,000.

Approval of the proposed resolution will authorize the City Administrator to 1) enter into a sub-contract with Oakland Unified School District to provide California General Child Care Services, in an estimated amount of \$200,000 for FY2018-2019; and 2) to accept said funding and appropriate funds in the estimated amount of \$185,000, which is net of 7.5 percent

management fee. The appropriation is included in the FY 2018-19 Midcycle Proposed Budget and budgeted to the California Department of Education Fund (2138), HS Classroom and Seasonal Org (78231), Early Head Start FY1819 CCTR Project (1004063), Strengthening Children, Youth & Families Program (YS13). The proposed resolution also authorizes the City Administrator to accept and appropriate additional funds if it becomes available from Oakland Unified School District within the grant term (July 1, 2018– June 30, 2019) and increase the subcontract with Oakland Unified School District without returning to Council.

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

- \$200,000 for program year 2018-2019
- Total project cost/agreement/contract - \$200,000

2. SOURCE OF FUNDING:

The estimated sum of \$185,000 together with offsetting revenue, shall be appropriated to the California Department of Education Fund (2138), HS Classroom and Seasonal Org (78231), Early Head Start FY1819 CCTR Project (1004063), Strengthening Children, Youth & Families Program (YS13), as included in the FY2018-19 Midcycle Proposed Budget.

In addition, due to administrative cost limitations, a contribution from the General Purpose Fund is required to cover central service overhead costs in an estimated amount of \$29,795, as included in the FY2018-19 Midcycle Proposed Budget.

It is anticipated that there will be options to renew this funding in future years with the Oakland Unified School District. This renewal will be negotiated in the early fall of next year pending the availability of funds.

PUBLIC OUTREACH / INTEREST

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

COORDINATION

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

SUSTAINABLE OPPORTUNITIES

Economic: The Head Start program creates more than 100 jobs, including people directly employed in centers, plus an unknown number of jobs through its economic multiplier effect.

Sabrina B. Landreth, City Administrator

Subject: Head Start (Early Head Start) Subcontract with Oakland Unified School District,
FY 2018-2019

Date: June 18, 2018

Page 4

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. The program uses recyclable paper products.

Social Equity: The Oakland Head Start and Early Head Start Program delivers comprehensive, high-quality services to children and families in the City of Oakland. These services are designed to foster healthy development in low-income children, ages birth through five. Head Start and Early Head Start provide a range of individualized services in the areas of education and early childhood development, medical, dental, and mental health services, nutrition, and parent involvement. The range of services is responsive and appropriate to each child and family's developmental, ethnic, cultural, and linguistic heritage and experience. Recent scientific research has verified what early childhood educators have known for years: that how children are nurtured and educated in their youngest years has a significant impact on later growth and development.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution 1) Authorizing The City Administrator To Enter Into A Sub-Contract With Oakland Unified School District To Receive State Funding In An Estimated Amount Of \$200,000 To Provide California General Child Care Services To Eligible Participants, Ages Birth To Three Years Old, Effective July 1, 2018 Through June 30, 2019; And Accept And Appropriate Said Funding; And 2) Authorize The General Purpose Fund Contribution In The Amount Of \$29,795 To Cover Central Service Overhead Costs As Included In The FY2018-19 Midcycle Proposed Budget.

Item: _____
Life Enrichment Committee
July 17, 2018

Sabrina B. Landreth, City Administrator

Subject: Head Start (Early Head Start) Subcontract with Oakland Unified School District,
FY 2018-2019

Date: June 18, 2018

Page 5

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

Respectfully submitted,



SARA BEDFORD
Director, Human Services Department

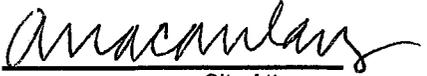
Reviewed by: Dr. Veronica Ufoegbune, Manager

Prepared by: Tracey Black, HHS Planner

Early Childhood & Family Services Division

2018 JUL -3 AM 10:09

Approved as to Form and Legality


City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

RESOLUTION 1) AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A SUB-CONTRACT WITH OAKLAND UNIFIED SCHOOL DISTRICT TO RECEIVE STATE FUNDING IN AN ESTIMATED AMOUNT OF \$200,000 TO PROVIDE CALIFORNIA GENERAL CHILD CARE SERVICES TO ELIGIBLE PARTICIPANTS, AGES BIRTH TO THREE YEARS OLD, EFFECTIVE JULY 1, 2018 THROUGH JUNE 30, 2019; AND ACCEPT AND APPROPRIATE SAID FUNDING; AND 2) AUTHORIZE THE GENERAL PURPOSE FUND CONTRIBUTION IN THE AMOUNT OF \$29,795 TO COVER CENTRAL SERVICE OVERHEAD COSTS AS INCLUDED IN THE FY2018-19 MIDCYCLE PROPOSED BUDGET

WHEREAS, Oakland Unified School District (the "District") is a California Department of Education (CDE) contractor of California General Child Care (CCTR) funding for the 2018-19 fiscal year; and

WHEREAS, the District can utilize their CCTR contract funding to provide quality early childhood education services to eligible children, ages birth to three years old enrolled in the Head Start Child Development Centers; and

WHEREAS, subcontracting a portion of the District's State CDE contract is authorized and permissible under State regulations; and

WHEREAS, the District has identified the City of Oakland as a qualified subcontractor to serve children, ages birth to three years old; and

WHEREAS, the City of Oakland has many years of experience in providing quality and comprehensive child care and early childhood education, has experience in administering subcontracts with Local Education Agencies, such as the District, and has no audit, performance, or fiscal exceptions that would make it ineligible to subcontract with the District; and

WHEREAS, under State regulations, the District's Early Childhood Education program, as the subcontracting entity responsible for managing and administering the subcontract with the City of Oakland, may recover a 7.5 percent (7.5%) administrative contract management fee, which is estimated at \$15,000; and

WHEREAS, the City of Oakland has the facility capacity to earn the funds the District will subcontract;

WHEREAS, due to administrative cost limitations of the contract, a contribution from the General Purpose Fund to cover Central Service Overhead costs estimated at \$29,795, has been included in the FY2018-19 Midcycle Proposed Budget; now therefore be it

RESOLVED: That the City Administrator is authorized to enter into a subcontract with Oakland Unified School District to receive funding in an estimated amount of \$200,000 to provide Early Head Start/General Child Care Services to eligible participants, from birth to three years old, effective July 1, 2018 through June 30, 2019; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to accept an estimated amount of \$200,000 of said funding and appropriate said funding net of the 7.5 percent administrative contract fee in an estimated amount of \$185,000, with offsetting revenue, to the California Department of Education Fund (2138), HS Classroom and Seasonal Org (78231), Early Head Start FY1819 CCTR Project (1004063) CCTR, Strengthening Children, Youth & Families Program (YS13), which is included in the FY2018-19 Midcycle Proposed Budget; and be it

FURTHER RESOLVED: That due to administrative cost limitations of the contract, a contribution from the General Purpose Fund is hereby authorized to cover Central Service Overhead costs estimated at \$29,795, as included in the FY2018-19 Midcycle Proposed Budget; and be it

FURTHER RESOLVED: If additional funding becomes available from Oakland Unified School District within the grant funding period, July 1, 2018 – June 30, 2019, the City Administrator or her designee is authorized to accept and appropriate grant funds and amend the subcontract with Oakland Unified School District to receive additional funds without returning to Council; and be it

FURTHER RESOLVED: That said agreement shall be approved as to form and legality by the Office of the City Attorney and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN, and PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

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