

CITY OF OAKLAND

Agenda Report

OFFICE OF THE CITY CLERK
2006 JUN 22 PM 6:17

To: Office of the City Administrator
Attn: Deborah Edgerly
From: Community and Economic Development Agency
Date: June 27, 2006

Re: **A Second Supplemental Report with a Request for Input and Action Regarding the Fiscal Year 2006-2007 Oakland Workforce Investment Board (WIB) Budget as Developed by the Oakland WIB Executive Committee on June 8, 2006: A Resolution Amending Resolution No.79474 C.M.S. to Allocate an Additional \$575,000 in Workforce Investment Act Funds to the Oakland Private Industry Council, Inc. for One Stop Career Center Operations for Fiscal Year 2005-2006 to Support Workforce Development Programs as Budgeted by the Oakland Workforce Investment Board**

SUMMARY

During the May 25, 2006 Rules Committee meeting, staff was directed to prepare a Supplemental Agenda Report on the Fiscal Year 2006-2007 Oakland Workforce Investment Board (WIB) budget as developed by the Oakland WIB Executive Committee on June 8, 2006. Staff presented a draft budget to the Executive Committee, summarized within the Supplemental Report dated June 13, 2006 on **Attachments A - E**. The Executive Committee voted to adopt the budget as presented. The full WIB met on June 22, 2006 and adopted the budget as recommended by the Executive Committee, with two conditions which are described below.

FISCAL IMPACT

The WIB Budget includes a twelve percent reduction in Workforce Investment Act funding for the WIB staff.

KEY ISSUES AND IMPACTS

The June 22 meeting of the Oakland WIB discussed the budget for Fiscal Year 2006-07, as recommended by the Executive Committee on June 8, 2006. A motion was made to adopt this budget recommendation, with two conditions:

1. That WIB approval of the 2006-07 budget was conditioned upon the City Council's acceptance of the agreement between the Council and the WIB regarding funds which were recommended by the WIB but not yet approved by the Council from Fiscal Year 2005-06. The agreement, as accepted by the WIB at its May 18, 2006 meeting and reiterated in this action, called for the Council to approve the \$575,000 remaining from 2005-06

Item: _____
CED Committee
June 27, 2006

WIB-recommended allocations to the Oakland Private Industry Council (PIC) for operations of the comprehensive One-Stop Career Centers. In exchange, the WIB agreed to redirect \$375,000 from PIC One-Stop funds in the 2006-07 budget into a Request for Proposals (RFP) process to offer WIA Intensive Services to clients who were formerly incarcerated and/or aging out of the youth foster care system.

2. That staff to the WIB, working in conjunction with staff from the Oakland PIC, evaluate whether there are other and better sources within the WIB budget for the \$375,000 funds to serve those populations, and if there were better sources, to recommend those as part of the WIB's mid-cycle budget review process.

The motion to approve the budget with the above conditions was carried by a majority of the WIB.

In essence, the effect of the WIB's action was to reiterate its commitment to the agreement through which \$575,000 in remaining unallocated funds would be released to the Oakland PIC for Fiscal Year 2005-06, as originally recommended by the WIB, while in exchange the WIB agreed to set aside the \$375,000 from the proposed 2006-07 budget for the RFP as described. The WIB's action to approve its recommended 2006-07 budget is conditional upon Council's acceptance of this agreement. The second proviso essentially restates the request from the WIB in its May 18 action, which requested of the Council the latitude to choose other sources of the \$375,000 for the RFP. The second proviso further suggests a vehicle for any such reconsideration, by way of the WIB's mid-cycle budget review process, which would be subject to Council ratification. However, unlike the first condition, the approval of the WIB's 2006-07 budget was not made subject to Council approval of the second condition.

RECOMMENDATIONS AND RATIONALE

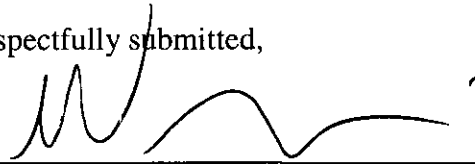
Staff recommends that the Council accept the WIB's agreement, allowing the release of the remaining \$575,000 in 2005-06 funds to the Oakland PIC for Career Center operations, while at the same time setting aside \$375,000 in 2006-07 funds from the Oakland PIC's Career Center operations line items to serve formerly incarcerated and former foster care clients, to be procured through an RFP process.

Staff further recommends that the Council consider and take action upon the WIB's request for latitude in determining the source of the \$375,000 in funds from the 2006-07 budget, should the WIB deem it desirable to draw those funds in whole or in part from a source other than the Oakland PIC's One-Stop Career Center allocation.

ACTION REQUESTED OF THE COUNCIL

Staff requests that the Council accept the WIB proposal for resolving the disposition of \$575,000 in remaining 2005-06 funds, in exchange for the targeted allocation of \$375,000 in 2006-07 funds from the WIB's budget, as described. Staff further requests that the Council act upon the WIB's request for latitude in determining the source of that \$375,000 in 2006-07 funds.

Respectfully submitted,



DANIEL VANDERPRIEM

Director of Redevelopment, Economic
Development and Housing

Prepared by: Al Auletta
Manager, Workforce Development Unit
CEDA

APPROVED AND FORWARDED TO THE
CITY COUNCIL



Office of the City Administrator