



AGENDA REPORT

TO: G. Harold Duffey
Interim City Administrator

FROM: Estelle Clemons
Interim Director, Human
Services

SUBJECT: Oakland Head Start State Multi-
Contract Report FY23-24

DATE: February 21, 2023

City Administrator Approval

Date: Mar 2, 2023

RECOMMENDATION

Staff Recommends That The City Council Adopt The Following Pieces Of Legislation:

1) Resolution:

1) Authorizing The City Administrator To Apply For And Accept The California Department Of Social Services (CDSS) Child Care And Development Division (CCDD) Contract To Receive State Reimbursement Funding In An Amount Of Three Million Three Hundred Fifteen Thousand Three Hundred Twenty-Six (\$3,315,326) To Provide California General Child Care Program Services (CCTR) To Eligible Participants, Ages Birth To Three Years Old, Effective July 1, 2023 Through June 30, 2024; And
2) Appropriating A Contribution From The General Purpose Fund In An Amount Of Two Hundred Eighty-Seven Thousand Four Hundred Sixty-Four Dollars (\$287,464) Equivalent To The Associated Central Services Overhead Costs Estimated; And
3) To Accept And Appropriate Additional California General Child Care Program Reimbursement Funding That Becomes Available For The Same Purposes Stated, During The Same Grant Term, And Amend The Agreement Without Returning To Council.

2) Resolution:

1) Authorizing The City Administrator To Apply For And Accept The California State Preschool Program (CSPP) Contract In An Amount Of Three Million Three Hundred Sixty-Four Thousand Seven Hundred Sixty-Five Dollars (\$3,364,765), And The California Pre-Kindergarten Supplemental Grant (CPKS) In The Amount Of Thirty-Two Thousand Five Hundred Dollars (\$32,500) From The California Department Of Education (CDE) For Early Childhood Education From July 1, 2023 Through June 30, 2024; And
2) Appropriating A Contribution From The General Purpose Fund In An Amount Of Three Hundred Forty-Six Thousand Seven Hundred Twenty-Three Dollars (\$346,723) Equivalent To The Associated Central Services Overhead Costs Estimated; And
3) To Accept And Appropriate Additional CSPP Reimbursement Funding That Becomes Available For The Same Purposes Stated, During The Same Grant Term, And Amend The Agreement Without Returning To Council.

Life Enrichment Committee
March 14, 2023

- 3) Resolution Authorizing The City Administrator:**
- 1) To Apply For And Accept The Us Department Of Agriculture Child And Adult Care Food Program (CACFP) Grant From The California Department Of Education (CDE) In An Estimated Amount Of Two Hundred Sixty Thousand (\$260,000) To Provide Funding For Nutritious Meals July 1, 2023 Through June 30, 2024; And**
 - 2) To Accept And Appropriate Additional CACFP Grant Funding That Becomes Available For The Same Purposes Stated During The Same Grant Term And Amend The Agreement Without Returning To Council**

EXECUTIVE SUMMARY

The following report seeks authorization to apply for and accept three contracts that support, enhance and enrich the delivery of City of Oakland Head Start and Early Head Start Program's comprehensive early care, education and family services in support of Oakland families with young children. The contracts work in tandem with the US Department of Health and Human Services, Administration for Children and Families Head Start grant to support the City of Oakland Head Start Program's children and families.

Adoption of the first proposed resolution will allow the City Administrator to apply for and accept the General Child Care and Development Program (CCTR) contract from the California Department of Social Services (CDSS) in the amount of \$3,315,326, to be eligible for reimbursement from the CDSS. The terms of this contract will allow for Center-based contractors to be paid 100% of the contract maximum reimbursable amount of \$3,315,326 or net reimbursable costs, whichever is less. As a reimbursable contract the CDSS reimburses the City for all Center-based expenses incurred during the contract timeframe after each month or quarter of service reporting of eligible expenses such as supplies, payroll, and rent. The City's contribution of General Purpose Funds in the amount of \$287,464, equivalent to the Central Services Overhead Costs estimated, will supplement the Head Start federal funding currently received by the City of Oakland. The appropriation is included in the FY 2023-24 Proposed Budget is contingent upon City Council adoption. The proposed resolution also authorizes the City Administrator to accept and appropriate additional funding if it becomes available from the CDSS within the grant term (July 1, 2023 – June 30, 2024) and amend the contract without returning to Council.

Adoption of the second proposed resolution will allow the City Administrator to apply for and accept the California State Preschool Program (CSPP) contract in the amount of \$3,364,765, and apply for and accept the California Pre-Kindergarten and Family Literacy Support (CPKS) funding, in the amount of \$32,500 from the California Department of Education. The City's contribution of General Purpose Funds in the amount of \$346,723, equivalent to the Central Services Overhead Costs estimated, will supplement the Head Start federal funding currently received by the City of Oakland.

Adoption of the third proposed resolution will allow the City Administrator to apply for and accept the Child and Adult Care Food Program (CACFP) contract from the California Department of Education (CDE), in the amount of \$260,000 to be eligible for reimbursement from the U.S. Department of Agriculture (USDA) and the CDE. If approved, the Human Services Department (HSD) will continue to offer nutritious meals to children enrolled in the Oakland Head Start and

Early Head Start Program beginning July 1, 2023 through June 30, 2024. Receipt of a CACFP contract is a requirement of the Federal Head Start grant.

The City of Oakland has years of experience in providing high-quality, comprehensive, and enriching early learning and educational services for children, birth to 5-years-old and their families with CSPP (15 years), CCTR (5 years), and CACFP (52 years) funding. Through this extensive experience administering state contracts, there has been no audit, performance or fiscal exceptions that would make the City of Oakland ineligible to execute the requirements outlined in these contracts. By leveraging multiple state contracts, the City of Oakland is able to maintain and advance its overarching goals in support of local children and their families.

If approved, the City of Oakland's Human Services Department will continue to provide a comprehensive school readiness and early childhood education program, enhanced with family literacy and parenting education services for eligible Head Start and Early Head Start children and their families.

BACKGROUND / LEGISLATIVE HISTORY

The City of Oakland's Head Start / Early Head Start Program

The City of Oakland became a grantee of the Head Start Program in 1971, serving Head Start eligible families with children ages three to five years old.

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, enabling the program to enroll and serve children under three years of age in the City of Oakland's Early Head Start Program.

The General Child Care and Development Program (CCTR)

The General Child Care and Development Program (CCTR) is administered by the CDSS and provides full-day, full-year funds for General Child Care and Development services statewide. Awards are made by county allocation, and within each county by the Local Planning Council priority area.

The CCTR program is a reimbursement-based contract, and not a lump sum allocation or grant. The City of Oakland Head Start/Early Head Start Program will be reimbursed for 100% of the contract maximum reimbursable amount of \$3,315,326, or net reimbursable costs, whichever is less, following comprehensive monthly reporting on factors such as attendance and eligible expenditures.

California State Preschool Program (CSPP)/ California Pre-kindergarten and Family Literacy Support (CPKS) Funding

In January of 2007, the California Department of Education (CDE) first announced the availability of \$45,000,000 throughout the State of California for part-day preschool services through the Prekindergarten and Family Literacy Program, renamed the California State Preschool Program (CSPP). CSPP funds programs to serve children, ages three and four years

old, for one to two years before kindergarten commences. Programs must provide age and developmentally appropriate activities for children in participating classrooms that are designed to facilitate their transition to kindergarten. Programs must also provide ongoing opportunities for parents and caregivers to work with their children on interactive literacy activities.

The City of Oakland first applied for and received this funding in Fiscal Year 2008-2009 to enhance services funded through the Head Start Grant to serve the City of Oakland's children and families. The City of Oakland has received continued funding from Fiscal Year 2008-2009 to present.

The CSPP funding was also used to provide parenting education and family literacy services, to eligible families, for three and four-year-olds entering their first and/or returning for their second year of preschool, and who would be transitioning into kindergarten the following fall, possibly to elementary schools in Oakland located in areas of high need.

U.S. Department of Agriculture/Child and Adult Care Food Program (USDA/CACFP) Funding

The Child and Adult Care Food Program (CACFP) began in 1968 and is a State and Federally funded program that provides financial aid to licensed child care centers and day care homes. The objectives of the program are to improve the diet of children younger than 13 years of age by providing them with nutritious, well-balanced meals, and to develop good eating habits in children. The program provides services to infants, preschool children, enrollees of any age who are disabled, and children enrolled in after school or extended care centers.

The City of Oakland has received CACFP funding since originally becoming a grantee of the Head Start Program in January 1971.

ANALYSIS AND POLICY ALTERNATIVES

Due to the impact of the COVID-19 pandemic on early child education, coupled with rising costs of child care and education, the Federal government acknowledges and encourages agencies to blend State funding in support of their programs to meet quality pre-school standards. Given changing Head Start standards requiring the expansion of services, it is critical to use this mixed funding strategy to sustain and further enhance the quality of Head Start and Early Head Start programs.

The General Child Care and Development Program (CCTR) Analysis

The CCTR contract will be a further investment in supporting and deepening the impact of quality education and child development services for children birth to age 3. The Program will be reimbursed for services for a total of 94 children (an increase of 70 children served from Fiscal Year 2021-2022), with a maximum reimbursable amount of \$3,315,326 at City of Oakland grantee Early Head Start centers. CCTR funding requires an expansion of hours of service from 8 hours to 10 hours daily and from 180 days to 240 days annually at select sites in upcoming program years with a full-year program from July to June. The specific hours of service will be determined following a survey of eligible families and their needs.

The CCTR contract supports six locations throughout Oakland. **Table 1** below includes the specific number of sites and children the program has been awarded with CCTR reimbursement funding to serve children at each location:

Table 1: Estimated CCTR Slots per site

| CCTR SITES | Total Estimated Certified Children Per Day Per Site |
|-----------------------------------|---|
| San Antonio Park Early Head Start | 18 |
| West Grand Early Head Start | 22 |
| Broadway Early Head Start | 22 |
| Lion Creek Early Head Start | 6 |
| Arroyo Viejo Early Head Start | 10 |
| 85th Avenue Early Head Start | 16 |
| Total | 94 |

The California State Preschool Program (CSPP) Analysis

In FY 2023-2024, CSPP funding will be provided for children an estimated eight (8) locations throughout Oakland. The program will be reimbursed for services provided, with a maximum reimbursable amount of \$3,364,765 at City of Oakland grantee Head Start centers. **Table 2** below includes the specific number of classrooms we anticipate will provide CSPP services to children at each location:

Table 2: Estimated CSPP Slots Per Site

| CSPP Sites | Total Estimated Certified Children Per Day Per Site |
|---|---|
| Lion Creek Crossing Head Start | 16 |
| 85 th Avenue Head Start | 16 |
| Brookfield Head Start | 32 |
| Sungate Head Start | 24 |
| Tassafaronga Head Start | 24 |
| San Antonio Community Development Center Head Start | 24 |
| Manzanita Head Start | 16 |
| Franklin Head Start | 16 |
| Total | 168 |

High quality, comprehensive, trauma-informed, developmentally and culturally appropriate school readiness services will be offered in engaging early childhood education settings, where each child has the opportunity to develop at their own individual pace. Each child’s relationship with their parent or primary caregiver and Head Start teacher is fostered and supported on an ongoing basis.

The City of Oakland’s Human Services Department actively promotes partnerships with families to support early literacy development and school readiness in children. The function of CSPP funding aims to build on the strengths, knowledge, and resources of parents and family members, who have the greatest influence on their children’s development, learning, and academic achievement. Parenting education and family literacy services will be provided for enrolled families.

U.S. Department of Agriculture/Child and Adult Care Food Program (USDA/CACFP) Analysis

Oakland Head Start continues to offer nutritious meals to approximately 272 children who have the most economic need at City-operated Head Start and Early Head Start sites throughout Oakland, at least 10 percent of the enrollment consisting of children with special needs. Healthy breakfasts, lunches, and snacks are served every day and celebrate the diversity of our children. Our staff work with families to meet specific nutritional needs of our children. The family style meal service allows children to practice social skills and fine motor skills.

Analysis Summary and Alternatives

At the present time, there are no policy alternatives to these three contracts that will bring about a similar return on investment while also successfully providing a broad spectrum of comprehensive services that support school readiness and family self-sufficiency. Blending these funding sources ensures that the City of Oakland’s early childhood initiatives provide comprehensive services that support school readiness and family self-sufficiency designed to assist Oakland’s most vulnerable families with children ages birth through five-years-old.

The policy recommendation in this report advances the Citywide priority of **Holistic Community Safety** through expanded access to early childhood services in support of Oakland's most vulnerable families and children.

FISCAL IMPACT

General Child Care and Development Program (CCTR) Fiscal Impact

A breakdown of the funding sources to be appropriated are included in Table 3.

Table 3: General Child Care and Development Program (CCTR) Funding Summary, July 1, 2023 – June 30, 2024

| Fund Source | Organization | Account | Project | Program | Amount |
|--|---------------------------------------|----------------|---|---|---------------|
| California Department of Education Fund (2138) | HS Classroom and Seasonal Org (78231) | TBD | Early Head Start FY23-24 CCTR Project (1005588) | Strengthening Children, Youth & Families Program (YS13) | \$3,315,326 |
| General Purpose Fund (1010) | TBD | TBD | TBD | TBD | \$287,464 |

A. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

- \$3,602,790 for FY 2023-24 (includes GPF contribution)
- Contract Revenue - \$3,315,326

B. SOURCE OF FUNDING:

The estimated net sum of \$3,315,326 together with offsetting revenue, shall be appropriated to the California Department of Education Fund (2138), HS Classroom and Seasonal Org (78231), Early Head Start FY23-24 CCTR Project (1005588), Strengthening Children, Youth & Families Program (YS13), as included in the FY23-24 Proposed Budget contingent upon City Council adoption.

C. FISCAL IMPACT:

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 \$287,464 was included in the FY23-24 Proposed Budget.

The City will receive an estimated net contract of \$3,315,326 with the potential for additional funds, if available, from July 1, 2023 through June 30, 2024, from the CDSS.

California State Preschool Program (CSPP)/ California Pre-kindergarten and Family Literacy Support (CPKS) Fiscal Impact

A breakdown of the funding sources to be appropriated are included in Table 4.

Table 4: California State Preschool Program (CSPP)/ California Pre-kindergarten and Family Literacy Support (CPKS) Funding Summary, July 1, 2023 – June 30, 2024

| Fund Source | Organization | Account | Project | Program | Amount |
|--|---------------------------------------|---------|---|---|-------------|
| California Department of Education Fund (2138) | HS Classroom and Seasonal Org (78231) | TBD | Head Start CPKS FY23-24 Project (1005583) | Strengthening Children, Youth & Families Program (YS13) | \$32,500 |
| California Department of Education Fund (2138) | HS Classroom and Seasonal Org (78231) | TBD | Head Start CSPP FY23-24 Project (1005582) | Strengthening Children, Youth & Families Program (YS13) | \$3,364,765 |
| General Purpose Fund (1010) | TBD | TBD | TBD | TBD | 346,723 |

A. AMOUNT OF RECOMMENDATION/COST OF PROJECT #1005583:

- \$32,500 for FY 2023-24
- Contract Revenue: \$32,500

B. AMOUNT OF RECOMMENDATION/COST OF PROJECT #1005582:

- \$3,711,488, for FY 2023-24 (including GPF contribution)
- Contract Revenue: \$3,364,765

C. FISCAL IMPACT:

The City’s FY 2023-24 Proposed Budget includes \$32,500 and \$3,364,765, in appropriations and revenues for FY23-24 for the California Pre-Kindergarten and Family Literacy Support and California State Preschool Program. These amounts reflect the programs’ anticipated billing (based on the current average daily attendance rate and the number of children enrolled). However, the grant has the ability to serve more children and accommodate any rate increases. If additional funding becomes available from the grantor for the same purposes within the duration of the grant term, July 1, 2023 through June 30, 2024, the City Administrator or his designee can accept and appropriate the funds without returning to Council.

The approval of the adopted resolution will also authorize a contribution from the General-Purpose Fund in the amount equivalent to central service overhead costs estimated at \$346,723 due to administrative cost limitations.

Child and Adult Care Food Program (CACFP) Fiscal Impact

A breakdown of the funding sources to be appropriated are included in Table 5.

Table 5: Child and Adult Care Food Program (CACFP) Funding Summary, July 1, 2023 – June 30, 2024

| Fund Source | Organization | Account | Project | Program | Amount |
|---------------------------------------|---------------------------------------|----------------|--|---|---------------|
| Department of Agriculture Fund (2102) | HS Classroom and Seasonal Org (78231) | TBD | Head Start FY 2023-2024 CCFP Project (1005579) | Strengthening Children, Youth & Families Program (YS13) | \$260,000 |

A. AMOUNT OF RECOMMENDATION/COST OF PROJECT #1005579:
 Contract Revenue: \$260,000

B. FISCAL IMPACT:

The City’s FY 2023-24 Proposed Budget includes \$260,000 in appropriations and revenues for the CACFP grant. The proposed resolution authorizes the City Administrator to accept and appropriate additional funding that becomes available from the contract within the grant term (July 1, 2023 – June 30, 2024) without returning to Council. The Head Start program receives monthly reimbursement for eligible meals served to enrolled Head Start children.

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.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

The City of Oakland has operated as a Head Start and CACFP contract since 1971 and has maintained a CDE/CSPP contract since 2008. The City of Oakland recently became a CDSS/CCTR contractor in 2022. Since receiving these contracts, the Program has met all contract requirements, terms, and conditions.

The state contracts are designed to support the economic and educational attainment of low- and moderate-income parents with children. In addition to assessing a child's eligibility for the program based on family income, child welfare status, or homeless status, the state contracts also require contractors to justify and demonstrate a caregiver's need for childcare. State contractors are required to complete an annual Program Self Evaluation (PSE), which includes a parent survey and an overview of the Program's Desired Ratings Developmental Profile (DRDP) assessments. The Desired Results Developmental Profile (DRDP) is an assessment designed for teachers to observe, document, and reflect on the learning, development, and progress of children and is the required assessment by the California State contracts. The DRDP metrics are aligned with school readiness goals based on California Early Learning Standards. The program analyzes scores throughout the year to monitor progress. DRDP metrics include domains such as awareness of self-identity and culture, using language to explain internal thoughts, understanding environments, and dexterity coordination. State contracts require that children are assessed twice each year to understand development in each assessment domain. Between Fall 2021 and Spring 2022, there was a cumulative 42% net increase of development in DRDP domains across program participants.

State contractors are also required to track the total number of children enrolled, as well as the percentage of a program's enrollment of children with a diagnosed disability under the Individuals with Disabilities Education Act (IDEA). **Table 3** below demonstrates the number of children enrolled in the Program during Program Year 21-22 as well as the percentage of children with an Individualized Family Service Plan or Individualized Education Plan through IDEA.

Table 6 below summarizes overall enrollment across the Programs in PY 21-22.

Table 6: Overall Enrollment, Program Year 2021-22

| | |
|--|-------|
| Cumulative Enrolled Children | 534 |
| Total number of Head Start Families | 485 |
| Percent of children with an Individualized Family Service Plan or Individualized Education Program | 11.3% |

These evaluation processes ensure that the City of Oakland Head Start Program monitors delivery of high standards of early care, education, and family services for Oakland families and children.

SUSTAINABLE OPPORTUNITIES

Economic: CACFP helps families work by making childcare more affordable. CACFP funding supports the local economy through purchasing of healthy foods from farmers markets and grocery stores. In Program Year 21-22, a total of 19,000 lunches, 18,000 breakfasts and 18,000 snacks were provided through the funding assistance of CACFP.

There are economic benefits to the City from the operation of CCTR and CSPP contracts. These contracts, along with funding from the Head Start grant, provide free child development services so families can work. Collectively with the Head Start grants, the program directly creates and sustains jobs in Head Start, most of which are held by residents of Oakland.

Environmental: Oakland Head Start provides snacks and meals that meet CACFP nutritional requirements. The Head Start program's central kitchen recycles products and purchases environmentally safe paper products that are used in all Head Start and Early Head Start classrooms. There are no foreseeable direct environmental benefits or impacts from this program to the City of Oakland.

Race & Equity: The Oakland Head Start and Early Head Start program delivers comprehensive and high-quality services to 600-700 children and families who are approximately 93% Black, Indigenous, and People of Color (BIPOC), of which approximately 34% are African American, 32% are Hispanic or Latinx, and 24% are Asian participants in PY 21-22. Fifty-seven (57%) of family's primary language is non-English. The program staff are approximately 64% BIPOC and 59% of the staff are bilingual.

Improving educational and family outcomes and eliminating racial disparities for this community is an explicit goal of the program. The range of services aims to be 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, 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 The Following Pieces Of Legislation:

1) Resolution:

1) Authorizing The City Administrator To Apply For And Accept The California Department Of Social Services (CDSS) Child Care And Development Division (CCDD) Contract To Receive State Reimbursement Funding In An Amount Of Three Million Three Hundred Fifteen Thousand Three Hundred Twenty-Six (\$3,315,326) To Provide California General Child Care Program Services (CCTR) To Eligible Participants, Ages Birth To Three Years Old, Effective July 1, 2023 Through June 30, 2024; And

2) Appropriating A Contribution From The General Purpose Fund In An Amount Of Two Hundred Eighty-Seven Thousand Four Hundred Sixty-Four Dollars (\$287,464) Equivalent To The Associated Central Services Overhead Costs Estimated; And

3) To Accept And Appropriate Additional California General Child Care Program Reimbursement Funding That Becomes Available For The Same Purposes Stated, During The Same Grant Term, And Amend The Agreement Without Returning To Council.

2) Resolution:

1) Authorizing The City Administrator To Apply For And Accept The California State Preschool Program (CSPP) Contract In An Amount Of Three Million Three Hundred Sixty-Four Thousand Seven Hundred Sixty-Five Dollars (\$3,364,765), And The California Pre-Kindergarten Supplemental Grant (CPKS) In The Amount Of Thirty-Two Thousand Five Hundred Dollars (\$32,500) From The California Department Of Education (CDE) For Early Childhood Education From July 1, 2023 Through June 30, 2024; And

2) Appropriating A Contribution From The General Purpose Fund In An Amount Of Three Hundred Forty-Six Thousand Seven Hundred Twenty-Three Dollars (\$346,723) Equivalent To The Associated Central Services Overhead Costs Estimated; And

3) To Accept And Appropriate Additional CSPP Reimbursement Funding That Becomes Available For The Same Purposes Stated, During The Same Grant Term, And Amend The Agreement Without Returning To Council.

3) Resolution Authorizing The City Administrator:

1) To Apply For And Accept The Us Department Of Agriculture Child And Adult Care Food Program (CACFP) Grant From The California Department Of Education (CDE) In An Estimated Amount Of Two Hundred Sixty Thousand (\$260,000) To Provide Funding For Nutritious Meals July 1, 2023 Through June 30, 2024; And

2) To Accept And Appropriate Additional CACFP Grant Funding That Becomes Available For The Same Purposes Stated During The Same Grant Term And Amend The Agreement Without Returning To Council

For questions regarding this report, please contact Diveena Cooppan, Manager, at (510) 238-3165.

Respectfully submitted,



ESTELLE CLEMONS

Interim Director, Human Services Department

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Early Childhood & Family Services Division,
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Prepared by: Robyn Levinson, HHS Planner
Early Childhood & Family Services Division,
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