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OAKLAND

2017 MAR -2 PM 4:41

# 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 (OUSD) – Early Childhood Education Program FY 2016-2017

**DATE:** February 24, 2017

City Administrator Approval

Date:

3/2/17

## RECOMMENDATION

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

- 1) **Enter Into A Sub-Contract With Oakland Unified School District To Receive State Funding In An Amount Not To Exceed \$200,000 To Provide California General Child Care And Development Services To Eligible Participants, Ages Birth To Three Years Old, Effective February 1, 2017 Through June 30, 2017; And Accept and Appropriate Said Funding;**
- 2) **Renew This Sub-Contract For Fiscal Year July 1, 2017 Through June 30, 2018 Pending Funding Availability And Accept and Appropriate Additional Funding in an Amount Not To Exceed \$200,000; And**
- 3) **Amend The Sub-Contract, And Accept And Appropriate Any Additional State Funding That Becomes Available From Oakland Unified School District For the Same Purpose Within the Contract Term Ending June 30, 2018.**

## EXECUTIVE SUMMARY

Presently, 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 Fiscal Year (FY) 2016-2017 fiscal year. However, the District anticipates having excess funding in its State Child Development Contract for the (FY) 2016-2017.

Under circumstances such as these, it is authorized and permissible under State regulations to subcontract a portion of the District's State contract. As such, the District has identified the City of Oakland Early Head Start Program as a qualified subcontractor. 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

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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 18 eligible birth to three year olds, currently enrolled in the following five Early Head Start sites: Lion Creek; Broadway; West Grand; Arroyo; and San Antonio Park; whose families expressed interest in receiving General Child Care (CCTR) services for their children.

### **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 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 2017, the City of Oakland continues to be a successful Early Head Start Program grantee and new performance standards require that all Early Head Start programming operate for full day. However, Federal funding was not increased thus requiring a blended funding model to achieve full day services. The California Department of Education (CDE) provides General Child Care services (CCTR), funding to support child care for children ages 0-3 as well as afterschool care.

The City is already a CDE recipient for the State Pre-school Program which is blended to augment full day services for ages three and four year-old in Head Start. The Oakland Unified School District (OUSD) has excess CCTR funding and is sub-contracting to Human Services Department to support full day Early Head Start services.

### **ANALYSIS AND POLICY ALTERNATIVES**

As Federal Head Start funding has been relatively variable for many years, the Federal government acknowledges that agencies are blending 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, more expensive models; 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. This funding relationship also signals the growing partnership with OUSD and the City to support high quality access to early childhood education for all Oakland children. 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 be able to earn up to \$200,000 from February 1, 2017 through June 30, 2017 based on attendance, from the District. Approval of the proposed resolution will not have an impact on the City's General Fund.

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 amount not to exceed \$200,000 for PY 2016-2017; and accept and appropriate said funding, 2) renew the sub-contract for Fiscal Year July 1, 2017 through June 30, 2018 pending funding availability and accept and appropriate additional funding in an amount not to exceed \$200,000; and 3) amend the sub-contract, and accept and appropriate any additional State funding that becomes available from Oakland Unified School District for the same purpose within the contract term ending June 30, 2018. For the FY 2016-2017, funding will be appropriated to the California Department of Education Fund (2138), Head Start Organization (78231), EHS Exp FY2016-2017 CCFP Project (1000303).

1. **AMOUNT OF RECOMMENDATION/COST OF PROJECT:**

- \$200,000 for program year 2016-2017
- Total project cost/agreement/contract - \$200,000

The estimated sum of \$200,000 together with offsetting revenue shall be appropriated to the California Department of Education Fund (2138), Head Start Organization (78231), EHS Exp FY 2016-2017 CCFP Project (1000303).

It is anticipated that there will be options to renew this funding for FY 2017-2018 with the OUSD for the same amount.

### **PUBLIC OUTREACH / INTEREST**

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

### **COORDINATION**

Office of the City Attorney and the Controller's Bureau were consulted in preparation of this report and resolution. The project also required extensive coordination with OUSD.

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### **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. 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 Authorizing The City Administrator To:

- 1) Enter Into A Sub-Contract With Oakland Unified School District To Receive State Funding In An Amount Not To Exceed \$200,000 To Provide California General Child Care And Development Services To Eligible Participants, Ages Birth To Three Years Old, Effective February 1, 2017 Through June 30, 2017; And Accept and Appropriate Said Funding;
- 2) Renew This Sub-Contract For Fiscal Year July 1, 2017 Through June 30, 2018 Pending Funding Availability And Accept and Appropriate Additional Funding in an Amount Not To Exceed \$200,000; And
- 3) Amend The Sub-Contract, And Accept And Appropriate Any Additional State Funding That Becomes Available From OUSD For Same Purpose Within the Contract Term Ending June 30, 2018.

For questions regarding this report, please contact Alisa Burton, Human Services Division Manager (Interim), Early Childhood and Family Services, at (510) 238-2323.

Respectfully submitted,

  
SARA BEDFORD  
Director, Human Services Department

Early Childhood & Family Services Division  
Reviewed by: Alisa Burton, Manager (Interim)  
Prepared by: Tracey Black, HHS Planner

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Approved as to Form and Legality

  
City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

Introduced by Councilmember \_\_\_\_\_

### RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO:

- 1) ENTER INTO A SUB-CONTRACT WITH OAKLAND UNIFIED SCHOOL DISTRICT TO RECEIVE STATE FUNDING IN AN AMOUNT NOT TO EXCEED \$200,000 TO PROVIDE CALIFORNIA GENERAL CHILD CARE AND DEVELOPMENT SERVICES TO ELIGIBLE PARTICIPANTS, AGES BIRTH TO THREE YEARS OLD, EFFECTIVE FEBRUARY 1, 2017 THROUGH JUNE 30, 2017; AND ACCEPT AND APPROPRIATE SAID FUNDING;
- 2) RENEW THIS SUB-CONTRACT FOR FISCAL YEAR JULY 1, 2017 THROUGH JUNE 30, 2018 PENDING FUNDING AVAILABILITY AND ACCEPT AND APPROPRIATE ADDITIONAL FUNDING IN AN AMOUNT NOT TO EXCEED \$200,000; AND
- 3) AMEND THE SUB-CONTRACT, AND ACCEPT AND APPROPRIATE ANY ADDITIONAL STATE FUNDING THAT BECOMES AVAILABLE FROM OAKLAND UNIFIED SCHOOL DISTRICT FOR THE SAME PURPOSE WITHIN THE CONTRACT TERM ENDING JUNE 30, 2018

**WHEREAS**, Oakland Unified School District (the "District") is a California Department of Education (CDE) contractor of California General Child Care and Development funding for the 2016-17 fiscal year; and

**WHEREAS**, the District can utilize the California General Child Care and Development contract funding to provide quality early childhood education services to eligible children, ages birth to five years old, enrolled in the Child Development Centers or eligible children, ages 5 to 12 years old, enrolled in elementary school afterschool programs; and

**WHEREAS**, the District anticipates under earning its State Child Development contract for the 2016-17 fiscal year; and

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

**WHEREAS**, the District has identified the City of Oakland as a qualified subcontractor; 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 collect from the City of Oakland a 7.5 percent (7.5%) administrative contract management fee; and

**WHEREAS**, the City of Oakland has the facility capacity to earn the funds the District will subcontract; 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 amount not to exceed \$200,000 for the City to provide Early Head Start/General Child Care and Development Services to eligible participants, ages birth to three-years-old, effective February 1, 2017 through June 30, 2017; and be it

**FURTHER RESOLVED:** That the City Administrator is hereby authorized to accept and appropriate said funding in an amount not to exceed \$200,000, together with offsetting revenue, to the California Department of Education Fund (2138), Head Start Organization (78231), EHS Exp FY 2016-2017 CCFP Project (1000303); and be it

**FURTHER RESOLVED:** That the City Administrator is hereby authorized to renew this subcontract with Oakland Unified School District for fiscal year July 1, 2017 through June 30, 2018 pending funding availability and accept and appropriate additional funding in an amount not to exceed \$200,000; and be it

**FURTHER RESOLVED:** That the City Administrator is hereby authorized without returning to Council to amend the sub-contract and accept and appropriate any additional State funding that becomes available from OUSD for the same purpose with the contract term ending June 30, 2018; 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