



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** Sara Bedford  
Director, Human Services

**SUBJECT:** OFCY FY 2020-2021 Grant Renewals

**DATE:** May 29, 2020

City Administrator Approval

Date: June 24, 2020

## **RECOMMENDATION**

**A Resolution Awarding Oakland Fund For Children And Youth Grant Agreements In A Total Amount Not To Exceed \$16,621,628 To Public And Non-Profit Agencies To Provide Direct Services For Children And Youth For An Additional One-Year Term From July 1, 2020 – June 30, 2021.**

## **EXECUTIVE SUMMARY**

The proposed resolution authorizes the City Administrator to renew 136 grant agreements with non-profit agencies through the Oakland Kids First! Children's Fund in the amount of \$16,621,628 for programming in Fiscal Year (FY) 2020-2021. On June 3, 2020, the Oakland Fund for Children and Youth (OFCY) Planning and Oversight Committee (POC) recommended these programs for renewal for year two in the current three-year 2019-2022 OFCY funding cycle.

Due to the current revenue decline and resultant allocation for Kids First in FY 2020-2021, the POC recommended grant awards with reductions ranging from three percent (3%) to nine percent (9%) for most programs, and no reductions for the 11 programs with grant awards below \$75,000. Revenue projections for FY 2020-2021 during the mid-cycle budget process are projected as \$17.9 million, an 8 percent decline from the \$19.5 million projected for OFCY in the City's Adopted Budget. Total grant awards in FY 2020-2021 to support 149 OFCY programs will total \$18,129,052. This includes thirteen summer programs that were approved \$1.5 million in total funding in May 2020 by Oakland City Council.

OFCY programs are important elements of Oakland's community infrastructure that ensure better short- and long-term outcomes for children. Programming includes mental health services in pre-schools; parent support programs and family resource centers; comprehensive afterschool programs; afterschool enrichment, literacy, recreation, academic and leadership programs; and internship, employment, career and workforce development programs for older youth. Through the first six months of 2019-2020, OFCY year-round programs reached 17,500 children and youth and 1,500 parents and caregivers.

City Council  
June 30, 2020

## **BACKGROUND / LEGISLATIVE HISTORY**

The Kids First! Amendment to the Oakland City Charter requires that three percent (3%) of the General Purpose Fund be set aside as annual revenues, along with interest accrued and any unspent funds from prior years, and appropriated to the Oakland Kids First! Children's Fund. Ninety percent (90%) of annual revenue is made available for grants to non-profit and public agencies to address the well-being of Oakland children and youth from birth through age 21. Ten percent (10%) is available for administration and evaluation.

The City Council approved the 2019-2022 OFCY Strategic Investment Plan in November 2018. Based on the subsequent release of the OFCY Request for Proposal (RFP) and the recommendation of grant awards by the POC in spring of 2019, the City Council approved 154 grant awards totaling \$19,819,772 annually for the three-year OFCY grant cycle (Resolutions No. 87660, 87753, and 87860 C.M.S.) that began June 1, 2019.

The City Council approved renewal of thirteen (13) OFCY summer grant awards totaling \$1,507,424 on May 19, 2020 (Resolution No. 88119 C.M.S.) based on the POC's recommendation. Four programs provide summer internships for older youth through the Career Awareness and Employment Support Strategy. OFCY summer programs also advance summer learning and support parents to prepare their children for kindergarten. On June 3, 2020 the POC held a public meeting to consider the year-round programs and recommended \$16,621,628 to support 136 programs during the school year and year-round.

## **ANALYSIS AND POLICY ALTERNATIVES**

### ***OFCY Goals and Strategic Priorities***

The strategic priorities address the four goals outlined in Measure D: 1) Support the healthy development of young children, 2) Help children and youth succeed in school and graduate high school, 3) Prevent violence and reduce youth involvement in crime and gangs, and 4) Help youth transition to productive adulthood. **Table 1** reflects the amounts and the number of programs funded for the OFCY funding strategies recommended in this report.

**Table 1: Number of Programs and Funding by Strategy Area**

<b>Strategy Area</b>	<b># of Programs Funded</b>	<b>OFCY Funding FY 20-21</b>
Socioemotional Well-Being in Preschool ECE Settings	3	\$915,999
Parent Engagement and Support	9	\$1,343,499
Family Resource Centers	6	\$1,113,661
Comprehensive Afterschool Programs	59	\$5,325,264
Engagement & Success for Elementary & Middle School Students	5	\$562,647
Youth Development and Leadership	35	\$4,231,722
High School and Postsecondary Student Success	8	\$1,200,027
Career Awareness and Employment Support	11	\$1,928,809
<b>TOTAL FY 2020-2021 Grant Awards</b>	<b>136</b>	<b>\$16,621,628</b>

### ***OFCY Grant Renewal Process***

OFCY's grant renewal process includes a review of data through the first six months of the grant year to assess if programs are on track for annual performance targets, and staff follow-up three

months later with programs that were below mid-year benchmarks to determine if the program's performance has improved to be recommended for renewal.

Programs were able to operate normally for the first seven months of this current fiscal year, until the global pandemic began to impact the city in March 2020. Most year-round programs begin with the school year, and during the first months of the first year of a new grant cycle, many new programs start slowly while hiring new staff. After the first two quarters of the year, two-thirds of OFCY programs were on track to meet annual performance benchmarks. Staff followed-up with the programs that were below mid-year projections during spring 2020. Program updates indicated improvements and progress towards objectives through mid-March 2020. Follow-up included technical assistance in setting up and managing activities in the Cityspan data system for greater accuracy.

***Direct Support for Children and Youth During Crisis and FY 2020-2021***

Programs and agencies that receive OFCY funding support have been active in responding to community needs since the global pandemic began impacting Oakland in March. As programs ceased direct in-person services and group activities, many quickly shifted to providing new priority services, such as food assistance, cleaning and medical supplies, giving cash assistance, and connecting families to information and support around COVID-19 and testing. Many programs directly helped their youth and families with computers, laptops and other technology, including support with WIFI hotspots and internet connectivity. Across all strategies, programs added more individual check-ins via phone, text and video to support wellness, reduce isolation, and help vulnerable families connect with assistance for basic needs.

Programs that work with youth expanded to add one-on-one mentoring support and were active in reaching out to the parents and caregivers as well as their youth clients to offer additional support as needed. Many also added a range of online engagement activities, from Zoom video chat sessions to group gaming, to recorded lessons on cooking, nature, and recreation, to online enrichment classes.

Programs helped with providing arts and crafts materials to families, instruction and content around physical activities such as sports, hiking and exercise, and activity and learning packages to parents with young children, in recognition that children need limited screen time. Programs help reduce social isolation and help youth connect with their peers to support their mental health in these trying times of shelter-in-place. Parent engagement programs provide family supportive services and often venues for parents of young children to connect and support each other virtually, including virtual playgroups, sharing of resources, and peer-to-peer tech support as families shift to virtual services.

The programs funded by OFCY will continue to be vital in providing direct support for children, youth and families and Oakland's vulnerable youth populations in FY 2020-2021. Early childhood programs provide needed mental health and family support services. After school services are essential to educational objectives and address the needs of low-income and working families throughout Oakland. Youth development programs will connect with and support youth who are more vulnerable due to the stressors brought on by the pandemic and its economic effects. Programs that support high school youth, particularly youth who are not

in school or employed and who face barriers to self-sufficiency or opportunity, with work experience, training, and wraparound supportive services are even more critical.

All programs face uncertainties and will take measures to incorporate social distancing and ensure other safety measures as they support youth and families during the ongoing health crisis. Staff are working with agencies to ensure their scopes of work, despite the reductions, are responsive to specific needs related to the current health crisis in terms of not only the safety of delivering their services but also in building resilience in the community among families in their ability to stem the spread of COVID-19 and keep themselves safe.

**Reductions to OFCY Grant Programs for 2020-2021**

The City approved \$19.8 million in funding for OFCY grant awards for 154 programs that applied successfully for the OFCY three-year funding cycle beginning with year 1 in FY 2019-2020. The award level was based both on Kids First projected annual revenues of \$19,005,974 and a plan to spend down the remaining balances from prior years FY 2017-2018 and FY 2018-2019. In addition, a pending revenue true-up or adjustment for FY 2018-2019 was identified as available for this OFCY grant cycle subject to approval in the current year Mid-cycle Budget process.

Based on the mid-cycle projection of the revenue allocation to Fund 1780 Kids First Oakland Children’s Fund as \$17,973,850, the POC recommended funding awards totaling \$16.6 million for year-round program grants. One-time revenues of \$1,433,953 from the FY 2018-2019 true-up are included in the FY 2020-2021 Midcycle Budget Amendments. The City Council has already approved \$1.5 million in renewal grant funding for programs in summer 2020. The total grant award amount of approximately \$18.1 million in FY 2020-2021 represents a nine percent reduction compared to the \$19.8 million award level (see **Table 2**).

**Table 2: Change in Grant Awards: FY 2019-2020 to FY 2020-2021**

OFCY Grant Awards	FY2019-2020	FY2020-2021
Summer Programs	\$1,939,697	\$1,507,424
Year-Round Programs	\$17,880,075	\$16,621,628
Total	\$19,819,772	\$18,129,052

To support next year’s grants at the recommended level of \$18.1 million, \$1.5 million from prior years’ balances is used to help offset the revenue reductions. For the third and final year of this OFCY funding cycle, approximately \$1.5 million in prior year balances should be available to support grants. Depending on the City’s revenue picture and the annual revenue allocated for Kids First for FY 2021-2022, further reductions could be necessary for the third year.

Summer grants were reduced by ten percent (10%) for awards greater than \$75,000. Reductions for year-round programs are applied across tiers based on grant size to minimize the effect on smaller agencies and to support programs in maintaining program integrity and personnel retention. The POC approved reductions in grant awards on a tiered scale based on grant size as follows:

<u>Annual Grant Award</u>	<u>% reduction</u>	<u># of programs</u>
0% for \$0 to \$74,999	0%	11
\$75,000 to \$124,999	3%	83
\$125,000 to \$199,999	6%	19
\$200,000 to \$400,000	9%	23

The three-tiered approach results in \$950,000 in reductions and total year-round awards of \$16,621,628 for 136 programs. The proposed reductions minimize the impact on 94 smaller awards through a zero percent (0%) to three percent (3%) cut. Overall funding for 149 OFCY programs in FY 2020-2021, including summer programming, is reduced by nine percent (9%) from \$19,819,772 to \$18,129,052.

### ***Additional Program Changes and Non-Renewals***

Three program grants from FY 2019-2020 are not included in the recommendation for renewal:

- Children’s Home Society of California’s Oakland Family Resource Center program did not execute a grant in FY 2019-2020 and is not included in the renewal recommendation.
- The East Bay Asian Youth Center (EBAYC) afterschool program at EPIC Charter school is discontinued, as the school site ceased operation 2019-2020.
- Oakland Unity Middle School declined to renew the partnership with After-School All Stars to serve as lead agency and will provide afterschool without OFCY support.

OFCY partners closely with the Oakland Unified School District (OUSD)’s Extended Learning Office (ELO) to monitor, evaluate, and support afterschool programs. There are two changes to the agencies managing afterschool programs:

- The transfer of the program grant at West Oakland Middle School from Young Men’s Christian Association (YMCA) of the East Bay to Girls. Inc. of Alameda County. The school principal made the decision to change the lead agency due to a continuing decline in program attendance, and unstable staffing and coordination of the program. In partnership with the ELO, the site has selected Girls Inc., which is a current OFCY grantee providing similar afterschool services at numerous OUSD sites.
- The transfer of the program grant at New Highland Academy from Higher Ground Neighborhood Development Corp. to the East Bay Agency for Children (EBAC). This change was initiated by the school principal based on performance and issues with coordination with the lead agency. EBAC is also currently funded by OFCY at other school sites, including the co-located school Rise Elementary, and has been successful in delivering afterschool services in Oakland.

Two agencies have changed their legal names, and one agency is managed by a newly incorporated non-profit agency:

- Refugee Transitions changed its legal agency name to Refugee & Immigrant Transitions. The agency receives OFCY funding to support two programs: the Newcomer Community Engagement Program (NCEP) in the Youth Development and

Leadership strategy and the Parent & Tot Initiative (PTI) in the Parent Engagement and Support strategy.

- The Marriott Foundation for People with Disabilities, which operates the Bridges from School to Work program in the Career Awareness and Employment Support strategy for older youth, changed its legal agency name to Bridges from School to Work, Inc.
- The Oakland Promise: Brilliant Baby program will be directly operated by the new 501(c)3 non-profit agency, the East Bay College Fund (dba Oakland Promise) and will cease to be a fiscally sponsored project under the Oakland Public Education Fund.

**Policy Alternatives**

Alternative #1	The Kids First! Oakland Children’s Fund (Article XIII. of the Oakland City Charter) tasks the POC with submitting funding recommendations to the Oakland City Council for adoption, which can be approved or rejected only in their entirety. Council rejection of any individual grant is not an option, as the rejection of individual grants would be a rejection of the package in its entirety and would need to be returned to the POC for review and adoption. The policy alternative before Council would be to reject all the funding recommendation from the POC.
Pro	At the earliest, revised renewal recommendation resulting from Council rejection would be considered by the POC at their July 2020 meeting and returned to City Council in September 2020 for adoption after the August recess.
Con	Rejection of the funding recommendation would result in a delay in services for programs in 2020-2021 that directly serve Oakland’s most vulnerable children, youth, parents and caregivers.
Reason for Not Recommending	The funding recommendations address the priorities in the OFCY FY 2019-2022 Strategic Investment Plan. Rejecting the funding recommendation would result in the delay and potential loss of programming to Oakland children and youth next year.

**FISCAL IMPACT**

The total project cost of the 136 year-round grant agreements is \$16,621,628 for FY 2020-2021. Funds totaling \$16,621,628 will be available for these OFCY grants from Project 1004482 based on the revenue allocation of ongoing revenue of \$17,973,850 and one-time revenue adjustment of \$1,433,953 in the FY 2020-2021 Proposed Mid-year Budget Amendments. Ninety percent (90%) of the total of these funds \$19,407,803, or \$17,467,022, is available for direct services for children and youth through the award process.

A breakdown of the project funding sources is as follows:

<b>Fund Source</b>	<b>Organization</b>	<b>Account</b>	<b>Project</b>	<b>Program</b>	<b>Amount</b>
(1780) - Oakland Fund for Children and Youth (OFCY) - Kids First Oakland Children's Fund	(78251) - Youth Services Organization	(54912) Services: Contract	Project (10044822)	(YS04) - OFCY Program	\$16,621,628
<b>Total Project:</b>					<b>\$16,621,628</b>

There is no impact on the General Purpose Fund.

### **PUBLIC OUTREACH / INTEREST**

The Planning and Oversight Committee hosted a noticed public meeting on June 3, 2020 via Zoom to receive public input prior to approving the recommendations for forwarding to Oakland City Council.

### **COORDINATION**

This report and the proposed legislation have been reviewed by the Office of the City Attorney, Budget Bureau, and Contracts and Compliance Division of the City Administrator's Office.

### **PAST PERFORMANCE, EVALUATION AND FOLLOW-UP**

Programs receive an annual evaluation by an independent consultant. The annual findings will be shared with the POC and City Council in fall 2020. The OFCY evaluation for FY 2019-2021 includes assessment of program quality and outcomes for children, youth and parents, and will address how programs directly helped address community needs since the start of the global health pandemic.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** OFCY funding provides local employment opportunities through public and non-profit agencies, which are primarily Oakland-based, and all of which employ local staff and have a positive economic impact. OFCY funds provide direct compensation to youth through subsidized internships and work experience. OFCY funds are used to leverage and match additional local, state, federal, and private philanthropic funds, bringing additional resources into Oakland.

**Environmental:** Programs will support community health and safety by supporting virtual activities during the health crisis.

**Race & Equity:** OFCY prioritizes funding for services that reach youth and families with the greatest needs. Programs will work to support children, youth and families in need with basic health, education, enrichment, and employment services through a variety of means. The

overwhelming majority of program participants are projected to be African American, Latinx, and Asian. Programs are intended to provide children, youth and families that may not otherwise have the ability to participate in enriching, academically supportive, and socially engaging programming free of charge.

**ACTION REQUESTED OF THE CITY COUNCIL**

A Resolution Awarding Oakland Fund For Children And Youth Grant Agreements In A Total Amount Not To Exceed \$16,621,628 To Public And Non-Profit Agencies To Provide Direct Services For Children And Youth For An Additional One-Year Term From July 1, 2020 – June 30, 2021.

For questions regarding this report, please contact Sandra Taylor, Human Services Manager, Children and Youth Services Division, at 238-7163.

Respectfully submitted,



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Attachment (1):  
A: FY 2020-2021 OFCY Grant Award List for Year-round Programs