

Oakland Community After-School Alliance

(Presented May 17, 2006 at Oakland Fund for Children and Youth [OFCY] Planning and Oversight Committee [POC] meeting)

Oakland is another step closer to a comprehensive after school program in every public elementary and middle school. The Assembly Education Committee unanimously approved SB 638 (Torlakson), a bill that would change the way the After School Education and Safety (ASES) program operates and help Proposition 49 roll out effectively. It will now move to the Assembly Appropriations Committee. Hopes are that it will be signed by June 30, before the new fiscal year beginning July 1 releases Prop. 49 funds. It seems that Prop 49 will be funded sooner, rather than later – state funding as early as October/November.

Therefore, I am asking the POC to consider matching Prop 49 funding in FY06-07 as well as FY07-08. Today is May 17th. I suggest that an RFQ process can be put in place during the summer and grants can be awarded in the fall resulting in Prop 49 Matching Grants beginning in January 2007.

Timing issue – the money is needed now (FY06-07) for the first year of the Prop 49 grant – a critical year in which to establish the programming and the attendance levels to insure that the Prop 49 grant is not cut in the second year to possible low year one attendance levels. Prop 49 funding is not in itself quite enough to generate excellent programs at each site. Without matches in FY0607, the programs will be at the very baseline of quality and attendance. If the programs fall too far short, we run the risk of having to repay unearned funds back to the state.

RFQ/Granting Timeline

- Approve the RFQ by the POC – June.
- City Council approval of the RFP/RFQ is not required and not necessary for the Prop 49 Match Grants – which the Council already supports.
- Issue the RFQ – July 1
- Applications due – August 15
- Approve grants by the POC – October 1
- Approve grants by the City Council – November 15
- New Prop 49-funded programs could start in January.

RFQ parameters

- Allow public agencies and community agencies to apply as lead agencies (i.e. OUSD, CBOs, OPR, etc.)
- Award maximum grant amounts of \$40,000 for new after school programs
- Encourage bundling of sites so that each contract would include 2 to 4 sites
- Award grants for FY06-07 and FY07/08

Amount to be granted – If the Prop 49 Match Grants are to be funded out of OFCY's delinquent revenues. The slicing and dicing of the money is as follows -- \$3.14 million in

delinquent revenues = \$2.8 million 92% available to be granted -- 50% for comprehensive after school per the strategic plan = \$1.4 million divided by 2 years = \$700k per year. In addition, the discussion and resolution on reducing the second year of the current funding package at last month's POC meeting resulted in \$151K. Therefore \$775,500 per year would produce about 19 grants.

Good but not good enough because we estimate that there will be 40-50 schools with an operational funding gap of approximately \$40K. I suggest that this is the time to be bold and commit the entire \$2.8 million to Prop 49 Matching Grants. That plus the year two cost saving would be \$1,475,500 per year or 37 grants. That would be a huge down payment on Oakland's promise of universal access to after school that would double the number of children served in high quality after school programs in 2006-07 from those served in 2005-06 (6,500 up to 13,000.)

So what about OFCY's commitment to other strategies - the other 50%? I suggest that should come from the Fund Balance and be added to the monies designated for the other strategies in the next two-year granting cycle – starting FY08-09. Based on information provided at the last POC meeting the current Fund Balance estimate is about \$7.4 million. Given flat revenues, the new two-year grant package will require \$3.4 million, leaving approximately \$4 million or about \$3.5 million in the Fund Balance for grants starting in FY08-09.

Sustainability issue -- Since we would be over the 50% allocation suggested in the OFCY Strategic Plan, there is a question of sustainability of the comprehensive after school strategies at this level of funding into the second two-year granting cycle beginning in FY08-09. Oakland general fund revenues may sustain it, but they may not. Therefore we should plan for the worst case over the next two years.

Solutions may include: A new funding formula that could more equitably distribute funding to school-based programs. Oakland's combined state-city funding allows for powerful leveraged funding opportunities that could develop new funding sources from philanthropy and the business community. Combining the forces of OFCY/CITY and OUSD/SUCCESS — especially in such areas as evaluation, data collection, and reporting, could save the project significantly overall. Other economies of scale such as shared technical assistance and curriculums and joint purchasing offer additional potential savings. A reauthorized Measure K could split the community and school based programs into two funding streams, guaranteeing a specific level of funding to every school. Sustainability will be resolved before the next OFCY two-year granting cycle.

Council Strategy for payment of OFCY delinquent revenues -- I suggest that the POC earmark the entire \$2.8 million of delinquent revenues for the Prop 49 Match and request that the Council pay the delinquent revenues sooner rather than later – requesting at least 50% out of the surplus and the remainder in FY06-07.

What action do I seek from the POC?

- I encourage you to take a straw vote to get a sense of the POC on the allocation of OFCY's delinquent revenues so that can be conveyed to the City Council at their next budget review meeting on May 25th, or else they will choose pot holes over children.
- Support a planning meeting between OFCY, OUSD and OCASA to define what can be done for FY06-07 so a joint strategy can be brought back to the POC for action at the POC's June meeting.