



City of Oakland, Department of Human Services  
Oakland Fund for Children and Youth



May 4, 2011

**Members of the Planning and Oversight Committee  
Oakland Fund for Children and Youth**

**Subject: OFCY Grant Reduction by 8% to Recommended Amounts**

Recommendation

OFCY grants are recommended for renewal with an 8% reduction from the current year (with two program exceptions). **The awards are subject to approval for forwarding to the City Council. Additionally, it is recommended that the POC approve revision to the award amounts should new information become available such as a reduction in the funds available affecting the Council approval of the grant award amounts, or should scope of work modifications justify a further reduction for individual programs.** The award amounts at 9% and 10% reduction levels are provided for informational purposes.

Background

OFCY's budget and revenues are based strictly upon the projection of 3% of unrestricted general fund revenues including property taxes, sales and use taxes, utility taxes, and other unrestricted revenue sources. Ten percent of revenues is for administration and evaluation and 90% is available for grants. Additional monies for grants come from interest earned on the Kids First! Children's Fund and any remaining unspent balances designated for grants.

FY11-12 & FY12-13

Total Kids First revenues are provided as \$10,848,812 and \$10,941,103 in the City of Oakland Projected Budget (2011-2013). The funding available for grants based on these revenue projections is 10% or \$9.7999 for FY11-12. Additional funds are due to interest (\$6,057).

Due to scope of work changes, two programs will be reduced. Bring Me a Book program is recommended to be revised from \$130,000 to \$43,000. OPR Tools program is recommended to be revised from \$126,936 to \$91,936.

Staff recommends an "across the board" reduction in grant levels by 8% for FY 2011-12 and FY2012-13. This is a significant impact to grants programs. Staff considered whether some strategy programs should have a minimum award amount, which would alter the impact on the smaller (least resourced) grant programs, and vary the way the reduction due to declining revenues is applied based on strategy area. After considering factors such as cost (per youth or per hour) dosage, and the availability of matching funds, staff recommends the 8% reduction across programs to ensure:

- OFCY expenditures remain within the annual allocation for grant funds available
- Fair and consistent application of the reduction to grant programs.

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