



CITY OF DURHAM | NORTH CAROLINA

Date: November 15, 2011

To: Thomas J. Bonfield, City Manager

Through: Keith Chadwell, Deputy City Manager

From: Kevin Dick, Director of Economic and Workforce Development
Nicholas McCoy, Senior Workforce Development Manager

Subject: Amendment to the City of Durham Employment and Training 2011-2013 Grant Project Ordinance #14142

Executive Summary

This item amends the City of Durham Employment and Training 2011-2013 Grant Project Ordinance #14142

The amendment reflects a total increase of \$120,351.00 in available Workforce Investment Act (WIA) Administration, Adult, Dislocated Worker, and Technical Assistance funds resulting in a new total of \$1,813,390.00. Line-item revisions to the 2011-2013 budget have made this amendment necessary to maintain an overall balanced budget.

Recommendation

Staff recommends that City Council authorize the City Manager to accept the “Employment and Training” Grant by executing the grant documents and adopting the “City of Durham Employment and Training 2011-2013 Grant Project Ordinance” in the amount of \$1,813,390.00, superseding Grant Project Ordinance #14142.

Background

The Office of Economic and Workforce Development (OEWD) receives Notices of Fund Availability (NFA’s) from the North Carolina Department of Commerce, *Division of Workforce Development* (DWD), periodically during the year as additional funding becomes available or when special funding is awarded. Funds received are added to the City of Durham *Employment and Training* grant project ordinances to provide workforce development services to Durham residents and businesses.

To date, OEWD has received NFAs from DWD totaling \$1,813,390.00 for FY12 to implement and/or administer federally funded WIA programs for eligible youth, adults, dislocated workers; and to support training opportunities for existing employees.

Note: On November 4th, OEWD received a NFA from DWD with the October portion of our WIA Adult and Dislocated Worker allocation for FY12. It is standard practice that DWD provides two allotments of the WIA allocation throughout a fiscal year - a July portion (25%) and an October portion (remaining 75%). Due to a delay in receiving the October portion from DWD, the department operated on projections for FY12 (based on available information from the state) which we now have the ability

to refine based upon receipt of the November 4th NFA. The department's projections that were submitted in Grant Project Ordinance #14142 were \$120,351.00 less than what the state initially thought Durham would receive for the FY12 fiscal year. The amendment to Grant Project Ordinance #14142 reflects an increase of \$120,351.00 in available WIA funds from the 2011-2013 *City of Durham Employment and Training* program budget from \$1,693,039.00 to \$1,813,390.00

Issues/Analysis

To accurately reflect an increase of \$120,351.00 in available FY12 WIA funds, an amended City of Durham Employment and Training 2011 - 2013 Grant Project Ordinance in the amount of \$1,813,390.00 has been prepared to supersede Grant Project Ordinance # #14142.

OEWD received NFAs for use in the following areas:

WIA Adult and Dislocated Worker

OEWD received the addition of \$106,049.00 in WIA Adult and Dislocated Worker funds to provide employment and training services for adults 18 years of age or older who are unemployed/underemployed or "Laid Off", to receive career counseling, occupational skills training, job placement supports, and case management services to help participants successfully obtain long-term and sustainable employment. The addition of these dollars has increased the combined WIA Adult and Dislocated Worker budget for FY12 by \$106,049.00 from \$990,963.00 to \$1,097,012.00. OEWD will utilize these dollars to fund (in part) a contract with General Management Solutions, Inc in an amount of \$815,227.00 to provide services for up to 483 WIA-eligible Adults and Dislocated Workers "laid-off" jobseekers as part of the JobLink system. Note: OEWD also received an additional \$11,782.00 (approximately 10% of the additional Adult and Dislocated Worker allocation) in an Administration line-item for FY12 to administer these funds.

WIA Technical Assistance

OEWD has received \$2,520.00 in WIA Technical Assistance funds to be used in the following area:

OEWD received the addition of \$2,520.00 from the state in *Incumbent Workforce Development* training funds to be added to the 2011-2013 budget. OEWD will utilize these funds to award and administer a contract to Sustainable Building Solutions, LLC, to provide training for 2 existing employees in energy auditor training. These funds will help Sustainable Building Solutions, LLC increase competitiveness and lessen and/or avert the threat of potential layoffs for the company (per federal and state guidelines).

Alternatives

Council may choose to not approve the Grant Project Ordinance, as amended, or may choose to approve specific line items within the amended Grant Project Ordinance.

If Council chooses not to approve the amended Grant Project Ordinance, OEWD would have a lower operating budget and be less able to implement the employment and training objectives outlined in the Issues/Analysis section.

Financial Impact

WIA funds are federal formula dollars administered by OEWD. Funding or not funding this item will have no impact on the City's general fund.

This item will increase the City of Durham 2011 -2013 Employment and Training Grant Project Ordinance by \$120,351.00 from \$1,693,039.00 to \$1,813,390.00

SDBE Summary

An SDBE summary is inapplicable because no project-specific goals have been set and no SDBE's are involved in this item.