



CITY OF DURHAM | NORTH CAROLINA

**Date:** January 4, 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 2010-2012 Grant Project Ordinance #14028

**Executive Summary**

This item amends the City of Durham Employment and Training 2010-2012 Grant Project Ordinance #14028.

The amendment reflects an overall increase of \$63,023.00 in available Workforce Investment Act (WIA) Option Initiative funds resulting in a new total of \$1,963,350.00. Line-item revisions to the 2010-2012 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 “Employment and Training” Grant Project Ordinance FY 2010-2012 in the amount of \$1,963,350.00, superseding Grant Project Ordinance #14028.

**Background**

The Office of Economic and Workforce Development (OEWD) receives Notices of Fund Availability (NFAs) 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 \$1,963,350.00 to implement and/or administer federally funded WIA programs for eligible youth, adults, dislocated workers; and

to support training opportunities for existing employees. The amendment to #14028 reflects an increase of \$63,023.00 in available WIA funds from the 2010-2012 *City of Durham Employment and Training* program budget from \$1,900,327.00 to \$1,963,350.00

Whereas NFAs for most line items are normally received by May of a particular fiscal year prior to the next fiscal year, this year the majority of NFAs were not received until November 2010. The absence of actual NFAs caused us to make projections which we now have the ability to refine based upon actual information received. Grant Project Ordinance #14028 was in part based on the first quarter (July) portion and/or allocation of WIA funds from the state and in part based on a projection of total WIA funds received from the last program year. In November 2010, the state provided a formal notice of WIA funding availability for Quarters 2-4, issued performance incentive funds, and awarded WIA Option Initiative funds (available from October 1, 2010 - September 30, 2011).

### **Issues/Analysis**

1) OEWD earned an additional \$60,606.00 for outstanding performance in the following performance categories for programs affecting unemployed adults, low income youth and dislocated workers:

- job retention for unemployed and underemployed adults;
- placement of youth in post-secondary education or employment;
- high levels of wages earned by adults and dislocated workers;
- educational milestones for youth related to skill attainment, as well as degree or certificate attainment;

OEWD will utilize incentive funds to augment services to businesses and jobseekers as stated above. Examples include the plans for an expanded Professional Placement Network, operational support for special grant programs and the launch of operations for the new JobLink Center at Northgate Mall.

2) OEWD received an additional \$24,409.00 in Youth Paid Work Experience funds, to help create paid internships and/or subsidized work placements for approximately 20 WIA-eligible youth to participate in an eight-week job training program (at an average of \$8/hour for up to 20 hours in a work week). These funds have been earmarked for the purpose of youth work experience only.

3) There was a decrease in the amount of \$21,992.00 under the line-item of WIA Technical Assistance funds from (the projected) \$167,639.00 in anticipated funds under this line-item to \$145,647.00 in WIA Technical Assistance (actual) funds received by NFA for October 1, 2010 to September 30, 2011. As previously stated, the absence of actual NFAs caused us to make projections which we now have the ability to refine based upon information received as of November 2010.

The above revisions to GPO #14028 reflect an overall net increase of \$63,023.00 in available WIA funds for the 2010-2012 *City of Durham Employment and Training* program budget from \$1,900,327.00 to \$1,963,350.00

**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 2010-2012 Employment and Training Grant Project Ordinance by \$63,023.00 from \$1,900,327.00 to \$1,963,350.00

**SDBE Summary**

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