



CITY OF DURHAM | NORTH CAROLINA

Date: 5/19/14

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Kevin Dick, Director of Economic and Workforce Development
Michael Honeycutt, Senior Workforce Development Manager
Subject: Amendment to the City of Durham Employment and Training 2013-2015
Grant Project Ordinance #14470

Executive Summary

This item amends the City of Durham Employment and Training 2013-2015 Grant Project Ordinance #14470.

The amendment reflects a total increase of \$23,817.00 in available Workforce Investment Act (WIA) Special Activities funds resulting in a new total of \$1,709,143.00. Line-item revisions to the 2013-2015 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 2013-2015 Grant Project Ordinance" in the amount of \$1,709,143.00, superseding Grant Project Ordinance #14470.

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 Solutions* (DWS), 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.

On May 13, 2014, OEWD staff received written notification that Credit Financial Services, Inc., a collection agency, was awarded \$9,676.00 and Parata Systems, LLC., provider of medication management, long-term care solutions, dispensing automation, workflow integration, and business consulting services, was awarded \$13,560.00 to provide training to current employees through the State of North Carolina Incumbent Workforce Development Program. The State has also allocated a combined administrative amount of \$581.00 for a total grant award to the Durham Workforce Development Board/OEWD of \$23,817.00.

The North Carolina Incumbent Workforce Development Program offers opportunities for North Carolina businesses to compete for funding that will help them train existing employees for the purpose of skill upgrades. Funds flow from the North Carolina Department of Commerce – Division of Workforce Development through the Durham Workforce Development Board/Office of Economic and Workforce Development.

To date, OEWD has received NFAs from DWS totaling \$1,709,143.00 for 2013-2015 to implement and/or administer federally funded WIA programs for eligible youth, adults, and dislocated workers; and to support services through the provision of special activities funds.

Issues/Analysis

This item will increase the City of Durham 2013 -2015 Employment and Training Grant Project Ordinance by \$23,817.00 from \$1,685,326.00 to \$1,709,143.00.

To accurately reflect an increase of \$23,817.00 in available PY13 WIA funds, an amended City of Durham Employment and Training 2013-2015 Grant Project Ordinance in the amount of \$1,709,143.00 has been prepared to supersede Grant Project Ordinance #14470.

Funds received for Incumbent Worker Training grants will allow Credit Financial Services, Inc. (located at 3800 Guess Road in Durham) to provide training for 14 employees in various certificate-based programs addressing management, supervisory and customer service techniques within a collection agency and Parata Systems, LLC. (located at 2600 Meridian Parkway in Durham) to provide 7 of their employees in software testing for engineers.

The approval process for a Durham business to receive Incumbent Worker funding consists of a review by staff to the Durham Workforce Development Board, endorsement for funding by the Business Services Committee to the Durham Workforce Development Board and final funding approval by a State review committee. Contracts are entered into between the City of Durham and selected businesses.

Approval of this Grant Project Ordinance will allow these companies to improve their overall operational efficiencies and increase their competitiveness and profitability.

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 2013 -2015 Employment and Training Grant Project Ordinance by \$23,817.00 from \$1,685,326.00 to \$1,709,143.00.

SDBE Summary

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

Attachments

City of Durham Employment and Training 2013-2015 Grant Project Ordinance Superseding Grant Project Ordinance #14470, 1 page.

Letter of Award Notification for Incumbent Worker Training Funds dated May 13, 2014, 2 pages.