



Oakland Fund for Children and Youth
150 Frank H. Ogawa Plaza, Suite 4216
Oakland, CA 94612



Date: February 1, 2008

To: Planning and Oversight Committee
Oakland Fund for Children and Youth

From: Sandra Taylor, Manager, Children and Youth Services

Subject: Summary of Funds Available for FY2008/2009; Discussion of Funding Guidelines for the OFCY 2008/2009 Review Process

Members of the POC:

Summary of Funds Available for Grants

The projected funds available for FY08/09 grants is \$13.46 million. This amount includes the FY08/09 annual revenues budgeted of \$9,663,404 million. This amount is budgeted based on the projected OFCY allocation calculated at 2.5% of unrestricted general fund revenues. However, the City is now expecting lower revenues. A negative revenue adjustment for FY07/08 and possibly FY08/09 should be anticipated.

Approximately \$2.5 million in carryforward will be available after expenditures of the 07/08 grant cycle. The Finance Agency reports a positive revenue adjustment for FY05/06 of \$917,948 and a negative revenue adjustment of \$147,223 for FY06/07. While not final, the net revenue adjustment owed OFCY is anticipated in the amount of \$770,725. Interest earned through December, 2007, to be appropriated will exceed \$640,000 and be available for FY08/09 grants.

Additionally, the Finance Agency is reviewing the analysis of the fund balance prepared by the DHS Fiscal unit which identifies a \$1.96 million adjustment to Fund 1780 to complete the reconciliation of general ledger balances to funds available in Fund 1780.

Discussion

OFCY's current funding level is \$12.4 million, due to the use of carryforward and revenue adjustments which have increased the funds available for granting beyond the annual revenue budgeted. The positive effect of revenue adjustments and carryforward balances available continue through FY08/09, allowing OFCY to at least sustain the current grant level of \$12.4 million. While the figure of \$13.4 million has been identified as available, the unknown revenue adjustments

for FY07/08 and FY08/09 may revise the funds available for FY08/09 to the lower limit of \$12.4 million.

If the immediate future years yield moderate or flat revenue growth for the City, OFCY can anticipate the revenues annually allocated for grants will remain between \$9 and \$10 million. Beginning in FY09/10, there may be minimal additional funds available due to carryforward or positive revenue adjustments from budgeted to actual dollars.

OFCY's Strategic Plan provides guideline percentages for the funding priorities. The Strategic Plan provides a guideline of 50% for the comprehensive elementary and middle school after school program funding. With the addition of the new ASES leveraged after school grants for FY07/08, OFCY will expend approximately 58% of funds on programs under the after school program strategy. Additional information on the strategy guidelines will be provided for discussion at the meeting.

Recommendation for Funding Guidelines

Due to the concern of lower than projected revenues for the City, staff recommends that the POC target \$12.4 million for grants initially. An additional list of grants to be awarded subject to availability of funds (pending the revenue adjustments and approval of fund balance reconciliation) may be prepared to reach the funding level of up to \$13.4 million. Staff is also recommending that consideration be given to maintain after school programs at 55- 60% of total funds awarded for FY08/09 grant cycle. A further review of an appropriate and sustainable level of funding for the after school strategy should be considered in the coming months.

Subject to reauthorization, Staff is recommending that remaining funds available (\$1 to \$2 million after the City approval and of final reconciliation, revenue adjustments) should be available for use in FY09/10 which could result in \$11 to \$12 million available for grants.

Sandra Taylor
Children & Youth Services Manager