



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 3/22/2011

Report Type: Staff/Discussion

**Title: Report Back: Sacramento START Program and Possible Loss of State Funding
[To Be Delivered]**

Report ID: 2011-00323

Location: Various locations inside and outside the City limits

Recommendation: Review the report and provide direction to staff.

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Presenter: David Mitchell, Operations Manager, (916) 808-6076, Department of Parks and Recreation

Department: Parks & Recreation Department

Division: START

Dept ID: 19001631

Attachments:

- 1-Description/Analysis
 - 2-Background
-

City Attorney Review

Approved as to Form
Sheryl N. Patterson
3/21/2011 3:12:57 PM

Approvals/Acknowledgements

Department Director or Designee: Jim Combs - 3/21/2011 12:19:22 PM

Assistant City Manager: Cassandra Jennings - 3/21/2011 3:09:47 PM

Description/Analysis

Issue: Since 1996 the City of Sacramento's START (Students Today Achieving Results for Tomorrow) program, operated by the Department of Parks and Recreation, has received grant funding from the California Department of Education (CDE) to operate an after school literacy and enrichment program on elementary school campuses within several school districts throughout Sacramento County. During the current school year the City is operating the START program on 36 elementary school campuses within the Sacramento City Unified School District (District) as well as on 20 school campuses with four other school districts. The portion of the CDE grant attributable to these 36 District schools is \$4,486,503.

On March 2, 2011, START management was informed verbally by a District employee that the District had filed a document with CDE to become the grant recipient and fiscal agent. This was confirmed in a letter dated February 28 from the District Superintendent, received March 4, informing the City that on March 1 the District would file the document with CDE to become the grant recipient. When CDE receives a request from more than one entity to operate a program on a school campus, the school district's application generally is approved.

The District staff also has indicated their intent to request proposals from potential subcontractors that would deliver the program to the students. If the District chooses to subcontract to the City at all 36 sites, City funding could be reduced up to \$672,976, which represents fifteen percent (15%) of the \$4,486,503 grant amount that can be used for administrative purposes. The District could choose to contract back to the City a portion of the total amount. In the event that the District does not subcontract with the City for the 36 sites, the City would lose the entire \$4,486,503 of funding and would have to cease operations at the 36 sites, resulting in a significant reduction in staffing.

City and District staff have had additional discussions during the week of March 14, which is described in further detail in the Background. The District has indicated that "the decision of the District is to have all before and after school program partners participate in the RFP [request for proposals] process; however, based on preliminary feedback from principals, the District has indicated that START potentially could continue providing after school programming at approximately 20 of the 36 sites." Currently, the district is continuing to have discussions about how the proposal and selection process will work and it has not yet been finalized. Any updated information will be provided during the City Council meeting presentation.

Policy Considerations: Continued participation in after-school programming is consistent with the City's strategic plan to enhance livability.

Environmental Considerations:

California Environmental Quality Act (CEQA): This report concerns administrative activities that will not have any significant effect on the environment and that do not constitute a "project," as defined by CEQA [CEQA Guidelines Sections 15061(b)(3); 15378(b)(2)].

Sustainability: Not applicable.

Commission/Committee Action: None

Rationale for Recommendation: Sacramento START is widely recognized as one of the most outstanding after school literacy and enrichment programs in the country, serving thousands of elementary school children in the most disadvantaged areas of the City and County. A loss of

funding of this magnitude would have a serious impact on the overall operation of the program. Thousands of children would not be served by a proven high quality provider and nearly one hundred fifty City employees would lose their jobs.

Financial Considerations: Whether the actions of the District lead to the loss of the entire \$4,486,503 grant amount attributable to the operation of the START program at the 36 District schools or just the fifteen percent (\$672,976) that can be used for administrative purposes, City financial and operational changes will be required. In addition, some of the City's actions that will be necessary to respond to the loss of funding may affect the District's net income. Specifics of these anticipated changes are described in the Background.

Emerging Small Business Development (ESBD): Not applicable

Background

History of Sacramento START

In 1995, Sacramento became a pioneer in obtaining grant funding for after school programs. Dr. Andria (Andi) Fletcher, a City of Sacramento Parks and Recreation employee, worked directly with former City Councilmember Darrell Steinberg and the director of LA's BEST, Carla Santos, to design the legislation that would create the After School Education and Safety (ASES) grant funding for the State of California.

Their goals were for local governments to partner with the local school districts in order to open school campuses beyond the regular school day and provide a safe environment for children to learn and play. By January 1996 the City of Sacramento created Sacramento START (Students Today Achieving Results for Tomorrow) and had opened 19 after school programs with the Sacramento City Unified School District (District).

Since 1996 Sacramento START has been in partnership with Sacramento City Unified School District to operate after school programs, expanded to 37 elementary schools in the District. For 36 of those schools, the City of Sacramento has been the grant recipient and fiscal agent, meaning that the City is responsible for all financial, programmatic and administrative aspects of the grant. The grant language dictates that at least 85% of the grant funding must be used directly for student services (site staff salaries and supplies) and up to 15% of the funding may be used for administrative expenses (administrative salaries, staff development, program evaluation and administrative support such as rent and office equipment).

The City receives the funding from the State, completes all grant reporting requirements, ensures that the after school programs are properly staffed and operating in compliance with all grant requirements and handles all expenses associated with the grant. To this end, START works directly with each school district and the individual school principals to negotiate facility space and custodial services (provided by the school districts as an "in-kind" match) and to ensure that the educational content of the after school program aligns with what the school day teachers are teaching the students.

Recent Relationship With Sacramento City Unified School District

To enhance the long relationship between the Sacramento START program and the District, START moved its administrative offices into 7,025 square feet of office space at the District's headquarters on 47th Avenue in November 2009. The lease expires in October 2013. This move assisted the District in filling thousands of square feet of vacant office space in their headquarters building. START joined its sister program, the 4th R child care program, at the District's headquarters. 4th R, which also operates at many District elementary schools, moved into the District headquarters when it opened in 2002 and moved to larger space in the building in 2008. This lease also expires in October 2013.

Throughout the year the START Recreation Superintendent and the District's After School Services Coordinator meet and communicate regularly. Concerns about school principals being dissatisfied or the program's composition have not been raised in these meetings beyond what are deemed normal operational issues. Additionally, there was no communication about the District's intent to become the grant recipient and fiscal agent prior to March 2, 2011.

On January 6, 2011, representatives from the City met with representatives from the District to ensure that START was aligning with and meeting the District's expectations. No concerns about alignment were brought up nor was any indication given that the District would be applying to be the grant recipient and fiscal agent.

During the week of February 21 to 25 three START program Site Directors were informed by their site's Principal that the START program may not be returning to their schools next school year. On February 28 the START Recreation Superintendent placed several calls and sent an email to the District's After School Services Coordinator to inquire about this information. A response email was sent on March 1 requesting a meeting be set up for March 7. The Recreation Superintendent placed a call to the District After School Services Coordinator on March 1 to get further information about the proposed March 7 meeting. This resulted in the After School Services Coordinator coming to the START office on March 2 to inform the Recreation Superintendent that the Fiscal Agent Change Request had already been submitted by the District to CDE.

In a meeting conducted on March 16 between the Assistant City Manager, Director of Parks and Recreation, Superintendent of the Sacramento City Unified School District and District staff, the District indicated that there are only a few school principals that have expressed dissatisfaction with the START program. The District has indicated that "the decision of the District is to have all before and after school program partners participate in the RFP [request for proposals] process; however, based on preliminary feedback from principals, the District has indicated that START potentially could continue providing after school programming at approximately 20 of the 36 sites." According to District staff there are a variety of reasons for implementing the RFP process, including 1) to ensure that after school programs are aligned with the strategic direction of the District; 2) to provide more accountability with the after school programs and partners; and 3) to ensure quality programming that meets the needs of families and children. Currently, the district is continuing to have discussions about how the proposal and selection process may work and it has yet to be finalized.

The District has verbally indicated that they will begin the RFP process on April 1 for agencies to apply to operate their after school programs, including at middle schools where the Parks and Recreation Department's PASSage teen program has been a subcontractor for many years. The District has verbally indicated that the RFP process should be completed by early May and award notifications made before the end of May. If the District does not announce awards until June, many of START's seasoned and well-trained employees will begin looking for other work, since they have no guarantee

of a job when school resumes in September. This would drastically impact START, since START may need to hire and train a large number of employees in a short time period.

After School Curriculum and Alignment With the School Day

START has purchased many different academic curricula that are used in the program and each is aligned with the California State Content Standards. The curricula cover the core elementary school subjects of math, literacy and language arts, as well as subjects that school districts throughout the State have eliminated, including social studies, science, character education, physical education and health. School district teachers, administrators and parents were involved in the review and selection of these curricula.

START staff work closely with the Academic Alignment Coach at each school (a certificated teacher who works at the school during the day and is on contract with START to help align the program to the school day curriculum) to ensure that START is meeting the needs of the school. In addition, Site Directors are encouraged to attend school staff meetings to share what the START program is doing and stay current on school direction. Site staff are asked to work with the teachers of the students they supervise, including requesting opportunities to go into District classrooms to observe and learn. All START sites hold at least three family nights each year, the majority of which are done in conjunction with school events so that resources are shared.

Evaluation Results

For more than 15 years without exception Sacramento START has clearly demonstrated that students in the after school program have shown improvement in their Language Arts, Math and Fitness Gram scores; and in their behavior, homework completion and school day attendance. Since the beginning of the program, Sacramento START has contracted with an outside evaluator to develop surveys, compile data and generate evaluation reports that track what the program has done year to year – something that the school districts do not typically do as comprehensively as START.

Evaluation results for the 2009-2010 school year are as follows:

- Percentage of START participants who scored at Basic (level 3) or above in Math increased from 78.0 percent in their baseline year (the year before the student entered START) to 78.8 percent in 2009/10.
- Percentage of START participants who scored at Basic or above in English Language Arts increased from 75.7 percent in their baseline year to 76.8 percent in 2009/10.
- Students who have participated in START for three years increased their regular school day attendance from 96.4 percent to 96.5 percent. Even this small improvement has a meaningful impact on school district budgets because of payments for average daily attendance.

- 99 percent of START participants showed improvement in at least one fitness component of the FITNESSGRAM Assessment.
- 78 percent of START participants achieved a Healthy Fitness Zone (HFZ) in at least 4 of the 6 components, with 23 percent achieving a HFZ in all 6 components.
- Surveys of school day teachers and school day staff showed that they believe START provides their students an opportunity to grow academically, emotionally and socially and that START is a vital part of their school climate.
- School day teachers indicated that START participants definitely exceeded the non-START students in turning homework in on time and completed to the teacher’s satisfaction by a margin of two to one.
- Teachers indicated that START participants show a greater desire to be leaders than the non-START students.
- School staff indicated the most common changes seen in students participating in START were “completing their homework” and “self esteem”.
- In each of the past three years, 97 percent of the parents of START students have indicated that they are very satisfied with the START program.
- Parents consider START to be helpful in providing a safe environment for their children after school, helping them complete homework and improving their child’s ability to make friends.
- Parents view START as a place for their children to be more physically active and able to participate in fun and enriching activities with staff they know and their children enjoy.

Financial Implications

Immediate impacts to City – Currently the City receives \$4,486,503 from CDE to operate the 36 after school programs on District elementary school campuses, including the portion of the grant that can be used for administrative expenses, which is 15% or \$672,976. If the District chooses to subcontract to the City the operation of the after school program at all 36 sites and to retain the entire 15%, the City will realize a net loss of \$672,976 in funding currently used for administrative expenses; however, the District could choose to allocate funds back to START. The following City changes are anticipated:

Anticipated Action	First Year Savings
Eliminate 10 full-time City employees; eliminate/reduce trainers and teachers	\$ 420,976

Anticipated Action	First Year Savings
Eliminate intramural sports leagues (flag football, broomball, basketball, soccer, baseball)	\$ 48,000
Terminate Serna Center lease and relocate to other City facilities	\$ 164,000
Reduction in evaluation services	\$ 40,000
Reduced staff development and training; reduced ability to purchase new curricula and supplies	undetermined
Total Partial Reduction	\$ 672,976 +

If the District chooses not to subcontract to the City the operation of the after school program at all 36 sites, the City will realize an additional net loss of \$3,813,527 used for programmatic expenses, for a total loss of \$4,486,503; however, the District could choose to allocate funds back to START. The following City changes are anticipated:

Anticipated Action	First Year Savings
All anticipated actions described above	\$ 672,976 +
Eliminate 136 full-time and part-time City employees	\$ 2,997,131
Eliminate 36 Academic Alignment Coach contracts	\$ 144,000
Eliminate 72 AmeriCorps member positions that provide fitness & nutrition enrichment services to the START program	\$ 325,000
Reduce other services and purchases of supplies	\$ 347,396
Total Full Reduction	\$ 4,486,503 +

Immediate Impacts to District – START and 4th R share common office space at the District headquarters building on 47th Avenue. A significant financial loss to START would make it no longer feasible for START to remain at this location. The City would have to evaluate whether 4th R would remain or have to relocate to another location in the District headquarters or City facility. The District would lose \$164,000 annually in rent from START and possibly an additional \$95,000 annually from 4th R for a total that could exceed \$500,000 over the remaining life of the two leases.

The District would no longer receive student and program evaluation reports from START. Because the CDE grant requires an annual evaluation to be performed, the District would have to provide this service and absorb this cost.

All youth sports programs provided by the City for District students would terminate. It is estimated that more than 4,500 children/youth will participate in sports programs this school year, and those students would be adversely affected and unable to engage in sport activities.