

**CITY AND COUNTY OF SAN FRANCISCO**

**BOARD OF SUPERVISORS**

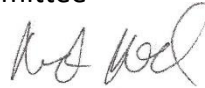
**BUDGET AND LEGISLATIVE ANALYST**

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June 18, 2024

**TO:** Budget and Appropriations Committee

**FROM:** Budget and Legislative Analyst



**SUBJECT:** June 20, 2024 Special Budget and Appropriations Committee Meeting

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**Item 6**  
**File 24-0647**

**Department:**  
Human Rights Commission (HRC)

## **EXECUTIVE SUMMARY**

### **Legislative Objectives**

- The proposed resolution would retroactively approve a grant agreement between Japanese Community Youth Council and the Human Rights Commission for the Opportunities for All-YouthWorks program for a five-year term beginning June 10, 2024 through June 30, 2029 and a not to exceed amount of \$43,214,178. The department is seeking retroactive approval because the majority of the programming occurs in the summer beginning in June 2024.

### **Key Points**

- Opportunities for All connects young people to paid employment, mentorship, and job training services. The YouthWorks program is a year-round program that places 11<sup>th</sup> and 12<sup>th</sup> grade high school students in paid internships in City departments. The Japanese Community Youth Council (JCYC), the current service provider, was selected through a competitive process to continue providing services under the two programs, which are combined under the proposed agreement. Programming will include summer internships, pre-employment and leadership training, and school-year internships. Across all internship programs, the number of unduplicated clients served is 2,100 annually
- The Department of Children, Youth, and Their Families previously administered the YouthWorks program and jointly administered the Opportunities for All program with the Human Rights Commission (HRC) under separate grant agreements. However, HRC is assuming responsibility for the two programs to centralize program management in light of administrative and fiscal challenges of the Opportunities for All program.

### **Fiscal Impact**

- The not to exceed amount of \$43,214,178 is based on an annual budget of \$8.1 million in FY 2024-25 and three-percent annual increases. In FY 2024-25, HRC staff anticipate that \$1.7 million in funding would come from the General Fund with the remaining \$6.4 million coming from State grant funding.

### **Policy Consideration**

- The grant budget appears reasonable but is increasing for the Opportunities for All program compared to the existing grant to backfill private fundraising sources and fully fund the program going forward.
- The City Services Auditor will audit the Opportunities for All program in FY 2024-25 due to administrative and fiscal challenges of the program.

### **Recommendation**

- Approval of the proposed resolution is a policy matter for the Board of Supervisors.

**MANDATE STATEMENT**

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

**BACKGROUND****Opportunities for All and YouthWorks Programs**

Opportunities for All is an initiative launched by Mayor London Breed in 2018 to connect young people ages 13 to 24 in San Francisco to paid employment, mentorship, and job training services. The goal is to provide a workforce opportunity, through summer internships and other programming, to every interested young person in San Francisco. This program differs from the Mayor's Youth Employment and Education Program, which provides internships but primarily serves high school freshman and sophomores.

The YouthWorks program is a year-round program that places 11<sup>th</sup> and 12<sup>th</sup> grade San Francisco high school students in paid internships in City departments.

The Japanese Community Youth Council provides services under the two programs, as well as other college access and preparation programs. The Department of Children, Youth, and Their Families previously administered the YouthWorks program and jointly administered the Opportunities for All program with the Human Rights Commission (HRC) under separate grant agreements. However, HRC is assuming responsibility for the two programs to centralize program management in light of program data validity and an apparent lack of disbursement, as discussed at an October 2023 Budget and Finance Committee meeting. Going forward, the grant agreement will be held by the Human Rights Commission, rather than by DCYF, and HRC will be responsible for performance monitoring.

**Procurement**

In August 2023, the Department of Children, Youth, and Their Families (DCYF) issued a Request for Proposals (RFP) for the 2024 through 2029 funding cycle. The YouthWorks and Opportunities for All programs were solicited under the Youth Workforce Development Strategy initiative in the RFP. Japanese Community Youth Council submitted a proposal for the Opportunities for All – YouthWorks program within the Youth Workforce Development Service Area and was selected to receive funding based on review by a selection panel.<sup>1</sup> JCYC was one of three organizations to submit proposals for this initiative, and the JCYC proposal received an average score of 85.1 out of 100 points possible compared to scores of 84.1 and 78.0 for the other two proposals, which

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<sup>1</sup> The selection panel consisted of a DCYF Senior Program Specialist, the San Francisco Unified School District Head of Student and Services Division, and the Walter & Elise Haas Fund Program Lead.

both proposed programming for subpopulations of the Opportunities for All program. The other two proposals did not receive funding according to HRC staff.

### DETAILS OF PROPOSED LEGISLATION

The proposed resolution would retroactively approve a grant agreement between Japanese Community Youth Council and the Human Rights Commission for the Opportunities for All-YouthWorks program for a five-year term beginning June 10, 2024 through June 30, 2029 and a not to exceed amount of \$43,214,178. According to the proposed resolution, the department is seeking retroactive approval because the majority of the programming occurs in the summer beginning in June 2024.

#### Scope of Services

The proposed agreement combines two related programs, Opportunities for All and YouthWorks, under the same scope of services. Programming will include summer internships, pre-employment and leadership training, and school-year internships. The YouthWorks summer internships are with City departments and are up to 20 hours per week for seven weeks (250 youth served annually). YouthWorks school-year internships are up to 10 hours per week for 29 weeks (150 youth served). The Opportunities for All summer internships are for up to 20 hours per week for six weeks (1,500 youth served). Across all internship programs, the number of unduplicated clients served is 2,100 annually, which reflects a 24 percent reduction compared to contracted levels under the existing contracts (2,760). According to HRC staff, the reduction in unduplicated clients served is to be consistent with the actual number of youths served in the program in 2023.

#### Performance

According to HRC staff, HRC the OFA Program Director at HRC will be responsible for program monitoring. In addition, HRC staff will coordinate with 11 City staff overseeing youth internships for participating youth.

According to performance measures in the proposed agreement, program performance will be assessed based on service levels and activities compared to contracted levels, grantee financial health and participation in various trainings and HRC's program quality assessment process, and survey responses of program participants, such as the percent of respondents that report developing education or career goals, financial literacy, or job search skills and report having a caring adult in the program.

Select performance measures for FY 2022-23 are shown in Exhibit 1 below.

**Exhibit 1: FY 2022-23 Select Performance Measures**

Measure	YouthWorks	OFA
Number of participants served as a percentage of the program's projected number of participants	107% (364/340)	77% (2,218/2,360)
Percent of participants who completed a work-based learning experience lasting at least one month.	98%	87%
Percent of participants who completed a work-based learning experience lasting at least one month and were provided with follow-up support for at least three months.	38%	0%
Percent of surveyed participants who report that an <u>adult in the program understood and really cared about them</u> .	63%	No data
Percent of surveyed participants who report developing <u>education or career goals</u> and understanding the steps needed to achieve their goals as a result of the program.	55%	No data
Percent of surveyed participants who report developing <u>job search skills</u> , such as resume writing and interviewing, as a result of the program.	60%	No data
Percent of surveyed participants who report developing <u>financial literacy skills</u> , such as opening a bank account and making a budget, as a result of the program.	50%	No data

Source: DCYF

**Fiscal and Compliance Monitoring**

DCYF completed fiscal and compliance monitoring of JCYC for FY 2023-24. According to a June 2024 letter, there were no findings.

**FISCAL IMPACT**

The proposed agreement has a not to exceed amount of \$43,214,178, which does not include a contingency. The five-year grant agreement budget, which includes three percent annual increases, is provided in Exhibit 2 below.

**Exhibit 2: Grant Agreement Budget**

Year	Amount
FY 2024-25	\$8,139,558
FY 2025-26	8,383,776
FY 2026-27	8,635,289
FY 2027-28	8,894,348
FY 2028-29	9,161,178
<b>Total</b>	<b>\$43,214,148</b>

Source: Proposed Agreement

Note: totals may not add due to rounding

The FY 2024-25 budget is approximately \$8.1 million, which includes \$4.0 million for youth staff salaries and \$810,000 in youth stipends for 500 interns. The hourly wage for interns and fellows is between \$18.93 and \$22.00 per hour. The FY 2024-25 budget is shown in Exhibit 3 below. The total amount varies slightly from Exhibit 2.

**Exhibit 3: FY 2024-25 Budget**

	Amount	% of Total
Adult Staff (15.6 FTE)	\$1,037,197	13%
Youth Staff (Interns) (99.1 FTE; 2,100 participants)	3,953,160	49%
Fringe Benefits	814,610	10%
<i>Subtotal, Salaries &amp; Benefits</i>	<i>5,804,967</i>	<i>71%</i>
Materials and Supplies	35,790	0%
Other Program Expenses*	996,496	12%
Administrative**	1,302,334	16%
<b>Total</b>	<b>\$8,139,587</b>	<b>100%</b>

Source: Proposed Agreement

\*Other program expenses include \$810,000 in youth stipends, \$75,125 for JCYC WorkHub Occupancy, and \$111,371 for various expenses such as food, communication, equipment, and training

\*\*Administrative expenses include salaries and benefits for executive, fiscal, and other non-program staff that support the program, contracts for IT, management support, and payroll services, rent, insurance, and other expenses

**Sources of Funding**

The proposed agreement will be funded by the State CaliforniansForAll grant and the General Fund. In FY 2024-25, HRC staff anticipate that \$1.7 million in funding would come from the General Fund with the remaining \$6.4 million coming from State grant funding.

**POLICY CONSIDERATION****Increase in Grant Budget to Centralize Program Funding**

The grant budget is increasing for the Opportunities for All program compared to the existing grant to backfill private fundraising sources and fully fund the program going forward. The budget appears reasonable. However, the proposed FY 2024-25 grant budget is significantly greater than the FY 2023-24 budgets under the existing grants because the Opportunities for All program has historically been funded by additional sources not reflected in the grant agreement. The FY 2024-25 budget of \$8.1 million is more than \$2.7 million greater than the FY 2023-24 budget across both programs under the existing agreements. According to HRC staff, the existing DCYF agreement is insufficient to fund the Opportunities for All program, as the program was also funded by other sources, including private fundraising, in FY 2023-24. In addition, funding from the proposed contract is needed to pay expenditures in June 2024 although June 2024 is included in the term of the existing agreement. HRC staff could not provide details on the other sources of funds in time for this report.

**Controller's Audit**

Due to discrepancies in the number of participants reported for the Opportunities for All Program and an apparent insufficient control of fund disbursement, the Budget and Legislative Analyst recommended in October 2023 that the Board of Supervisors request that the Controller's Office undertake a financial audit of the existing grant. According to the City Services Auditor, the review will take place in FY 2024-25. Because the audit has not yet occurred, approval of the proposed resolution is a policy matter for the Board of Supervisors.

**RECOMMENDATION**

Approval of the proposed resolution is a policy matter for the Board of Supervisors.

**Item 7**  
**File 24-0645**

**Department:**  
Children, Youth, and Their Families (DCYF)

## **EXECUTIVE SUMMARY**

### **Legislative Objectives**

- The proposed resolution would approve a new grant agreement between DCYF and the Japanese Community Youth Council for the Japantown Youth Leaders, Mayor's Youth Employment and Education Program, and the SF STEM Academy Program for a five-year term starting July 1, 2024 through June 30, 2029 and a not to exceed amount of \$40,386,800.

### **Key Points**

- The Japanese Community Youth Council (JCYC) provides services under various youth employment and training program with funding from DCYF. The Mayor's Youth Employment and Education Program provides 900 San Francisco high school students with work experience through after school and summer employment at nonprofit, public sector organizations, and local businesses. The Japantown Youth Leaders program provides 50 San Francisco high school students with service and educational activities centered in Japantown and other neighborhoods to build a sense of belonging and positive self-esteem. The SF STEM Academy program provides 20 Balboa high school students with science, technology, engineering, and mathematics (STEM) focused educational activities after school, as well as a seven-week summer internship in a STEM field. JCYC was selected to continue providing these services through a competitive process.

### **Fiscal Impact**

- The \$40,386,800 not to exceed amount includes a ten percent contingency and three percent annual increases. The FY 2024-25 budget is approximately \$6.9 million.
- The source of funding will be finalized following approval of the proposed agreement and the proposed budget. The proposed agreement would likely be funded by the General Fund and/or the Children and Youth Fund

### **Recommendation**

- Approve the proposed resolution.



**MANDATE STATEMENT**

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

**BACKGROUND****The Japanese Community Youth Council**

The Japanese Community Youth Council (JCYC) is a non-profit community organization established in 1970 and headquartered in Japantown, San Francisco. The organization serves young people from all socio-economic and ethnic backgrounds through various youth employment and training programs in San Francisco, including the Mayor's Youth Employment and Education Program, SF YouthWorks, SF STEM Academy, and Opportunities for All.

**Procurement**

In August 2023, the Department of Children, Youth, and Their Families (DCYF) issued a Request for Proposals (RFP) for the 2024 through 2029 funding cycle. Japanese Community Youth Council submitted proposals for the following three programs: the Mayor's Youth Employment and Education Program (MYEEP), SF STEM Academy, and Japantown Youth Leaders. JCYC was selected to receive funding based on reviews by the selection panel for each initiative. Japanese Community Youth Council currently provides these services under three separate agreements, which expire June 30, 2024. The RFP scoring and other procurement information is summarized in Exhibit 1 below.

**Exhibit 1: Procurement Summary**

<b>Program</b>	<b>MYEEP</b>	<b>Japantown Youth Leaders</b>	<b>SF STEM</b>
RFP Service Area and Initiative	Youth Workforce Development - MYEEP	Enrichment & Skill Building - Identity Formation and Inclusion	Youth Workforce Development - General
Selection Panel	DCYF Senior Program Specialist, Juvenile Probation Department Community Development Specialist, Walter & Elise Haas Fund Program Lead	DCYF Senior Program Specialist, Latino Commission Foundation Community Relations Manager, panelist with unknown title and organization	DCYF Senior Program Specialist, San Francisco Unified School District staff member, Clarence E. Heller Charitable Foundation Program Officer
Total Number of Proposals	3	52	40
Number of Proposals Awarded Funding	1	14	23
JCYC Average Score (out of 100)	93.1	76.9	83.3
JCYC Rank out of Total Number of Proposals	1 out of 3	31 out of 52	21 out of 40
DCYF Funding Rationale for JCYC Program	Highly rated in deliberation process	Serves priority population, although not highly rated	Highly rated in deliberation process

Source: DCYF

**The Mayor's Youth Employment and Education Program**

The Mayor's Youth Employment and Education Program provides San Francisco high school students with work experience through after school and summer employment at nonprofit, public sector organizations, and local businesses. This program differs from YouthWorks and Opportunities for All, which both serve older youth and offer different internship placements. According to DCYF staff, MYEEP internships are with non-profit organizations. YouthWorks internships are with City departments, and Opportunities for All internships are with for-profit organizations, non-profit organizations, and City departments. MYEEP also has a greater emphasis on job readiness training compared to the other two programs.

**Japantown Youth Leaders**

The Japantown Youth Leaders program provides San Francisco high school students with service and educational activities centered in Japantown and other neighborhoods to build a sense of belonging and positive self-esteem.

**SF STEM Academy**

The SF STEM Academy program provides 20 Balboa high school students with science, technology, engineering, and mathematics (STEM) focused educational activities after school, as well as a seven-week summer internship in a STEM field.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve a new grant agreement between DCYF and the Japanese Community Youth Council for the Japantown Youth Leaders, Mayor's Youth Employment and Education Program, and the SF STEM Academy Program for a five-year term starting July 1, 2024 through June 30, 2029 and a not to exceed amount of \$40,386,800.

**Scope of Services**Mayor's Youth Employment and Education Program

During the school year, the program provides primarily freshman and sophomores with 40 hours of job readiness training and ten hours per week of employment from January through April. During the summer, the program is open to all high school students, and includes ten hours of job readiness training and 140 hours of employment, per participant. The Japanese Community Youth Council subcontracts with community-based organizations<sup>1</sup> to provide job readiness training, career exploration, and other programming. The program serves 900 unduplicated clients annually.

Japantown Youth Leaders

During the school year, participants meet weekly to complete service-learning projects and participate in trainings and other program activities to promote leadership and team building. During the summer, participants are trained to teach service-learning skills to elementary and middle-school aged children in JCYC's summer camp. The program serves 50 unduplicated clients annually.

SF STEM Academy

During the school year, 20 Balboa students are provided with workshops and trainings on STEM-related topics, as well as field trips and enrichment activities, and one-on-one check-ins. During the summer, participants are placed in seven-week summer internships in a STEM-field. The program serves 20 unduplicated clients annually.

**Performance**

According to DCYF staff, DCYF will monitor program performance through DCYF's Youth Program Quality Assessment process, site visits, and youth surveys. Based on the results of the program quality assessment, DCYF may create a program improvement plan if warranted to ensure the agency is meeting program goals.

According to performance measures in the proposed agreement, program performance will be assessed based on service levels and activities compared to contracted levels, grantee financial

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<sup>1</sup> The subcontracted non-profits that provide youth employment are: APA, Visitacion Valley Strong Families, Bernal Heights Neighborhood Center, Horizons Unlimited, Buchanan YMCA, Community Youth Center of SF, Southeast Asian Development Center, and Young Community Developers.

health and participation in various trainings and DCYF's program quality assessment process, and survey responses of program participants, such as the percent of respondents that report developing a stronger sense of belonging, education or career goals, financial literacy, or job search skills and report having a caring adult in the program.

In FY 2022-23, MYEEP and Japantown Youth Leaders both served less than 75 percent of the projected number of participants. MYEEP served 52 percent (832 out of 1,600) and Japantown Youth Leaders served 69 percent (38 out of 55) of the projected number of participants. According to DCYF staff, this is due understaffing at JCYC and a reduction in the number of teens in San Francisco. The proposed agreement reduces the number of participants served under both programs compared to FY 2022-23. The number of unduplicated clients served by MYEEP is reduced from 1,600 to 900, and the number of unduplicated clients served by Japantown Youth Leaders is reduced from 55 to 50. Select performance measures for FY 2022-23 are shown in Exhibit 2 below. According to DCYF staff, the SF STEM program does not administer youth surveys, so there is no data for this program.

**Exhibit 2: Selected FY 2022-23 Performance Measures**

<b>Measure</b>	<b>MYEEP</b>	<b>SF STEM</b>	<b>Japantown Youth Leaders</b>
Number of participants served as a percentage of the program's projected number of participants	52% (832/1,600)	147% (22/15)	69% (38/55)
Percent of participants who completed a work-based learning experience lasting at least one month.	96%	100%	NA
Percent of participants who completed a work-based learning experience lasting at least one month and were provided with follow-up support for at least three months.	33%	62%	NA
Percent of surveyed participants who report that an adult in the program understood and really cared about them.	62%	No Data	89%
Percent of surveyed participants who report developing education or career goals and understanding the steps needed to achieve their goals as a result of the program.	55%	No Data	NA
Percent of surveyed participants who report developing job search skills, such as resume writing and interviewing, as a result of the program.	78%	No Data	NA
Percent of surveyed participants who report developing financial literacy skills, such as opening a bank account and making a budget, as a result of the program.	59%	No Data	NA
Percent of surveyed participants who report involvement in program implementation and/or leadership opportunities.	NA	NA	95%
Percent of surveyed participants who report becoming a more engaged participant in their school or community as a result of the program.	NA	NA	79%

Source: DCYF

**Fiscal and Compliance Monitoring**

DCYF completed fiscal and compliance monitoring of JCYC for FY 2023-24. According to a June 2024 letter, there were no findings.

**FISCAL IMPACT**

The proposed agreement has a not to exceed amount of \$40,386,800, including a ten percent contingency. The grant agreement budget, which includes three percent annual increases, by fiscal year and program is shown in Exhibit 3 below.

**Exhibit 3: Grant Agreement Not to Exceed Amount**

	MYEEP	Japantown Youth Leaders	SF STEM Academy	Total
FY 2024-25	\$6,335,000	\$300,000	\$300,000	\$6,935,000
FY 2025-26	6,515,000	309,000	309,000	7,133,000
FY 2026-27	6,700,400	318,300	318,300	7,337,000
FY 2027-28	6,891,400	327,800	327,800	7,547,000
FY 2028-29	7,088,100	337,600	337,600	7,763,300
Total	33,529,900	1,592,700	1,592,700	36,715,300
Contingency (10%)				3,671,500
<b>Not to Exceed Amount</b>				<b>\$40,386,800</b>

Source: Proposed Agreement

The FY 2024-25 budget is approximately \$6.9 million. The FY 2024-25 budget is shown in Exhibit 4 below.

**Exhibit 4: FY 2024-25 Budget**

	MYEEP	Japantown Youth Leaders	SF STEM Academy	Total	% of Total
Adult Staff	\$755,677	\$128,306	\$93,903	\$977,886	14%
Youth Staff	2,558,453	30,000	92,378	2,680,831	39%
Fringe Benefits	491,599	32,818	38,160	562,577	8%
<i>Subtotal, Salaries &amp; Benefits</i>	<i>3,805,729</i>	<i>191,124</i>	<i>224,441</i>	<i>4,221,294</i>	<i>61%</i>
Subcontractors	1,015,441			1,015,441	15%
Materials & Supplies	33,188	6,200	3,694	43,082	1%
Other Program Expenses	467,041	49,768	23,864	540,673	8%
Administrative	1,013,600	52,908	48,000	1,114,508	16%
<b>Total</b>	<b>\$6,335,000</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$6,935,000</b>	<b>100%</b>

Source: DCYF

According to DCYF staff, the agreement funds 11.0 FTE adult staff and 65.0 FTE youth staff for MYEEP, 2.0 FTE adult staff and 1.0 FTE youth staff for Japantown Youth Leaders, and 2.0 FTE adult staff and 2.0 FTE youth staff for SF STEM Academy.

**Source of Funding**

According to DCYF staff, the source of funding will be finalized following approval of the proposed agreement and the proposed budget. The proposed agreement would likely be funded by the General Fund and/or the Children and Youth Fund.

**RECOMMENDATION**

Approve the proposed resolution.