

To: Board of Supervisors
City Council

From: Brian H. Richter, County Executive
Walter Slipe, City Manager

Subject: DESIGNATION OF THE SACRAMENTO EMPLOYMENT AND
TRAINING AGENCY (SETA) AS THE COMMUNITY ACTION
AGENCY FOR SACRAMENTO

APPROVED
BY THE CITY COUNCIL

NOV 23 1982

OFFICE OF THE
CITY CLERK

RECOMMENDATION:

Adopt the attached resolution and thereby:

1. Designate the Sacramento Employment and Training Agency as the Community Action Agency for Sacramento for the 1983 and following fiscal years; and
2. Request the Agency to apply for and receive grant funds from federal, state, and other sources to operate and administer anti-poverty and other social service programs for the Sacramento community.

DISCUSSION:

Until this year, the Sacramento Area Economic Opportunity Council (SAEOC)--in its capacity as Sacramento's community action agency--received federal funding from the Community Services Administration for operation of a variety of anti-poverty programs. This private, non-profit corporation also provided a variety of other anti-poverty and social programs to assist the poor and underprivileged in the Sacramento community. During the past two years, SAEOC experienced numerous administrative and programmatic problems in carrying out its administrative responsibilities. These problems, coupled with the constant turmoil surrounding the agency's administration and Board of Directors, made it apparent that SAEOC was no longer capable of resolving its fiscal and administrative difficulties and efficiently delivering services to the community.


Consequently, during 1982, the U. S. Department of Health and Human Services (HHS) suspended, and subsequently terminated, the community action program, Head Start, and other financial grants to SAEOC. The basis for these actions included inadequacy of SAEOC's accounting system, its failure to submit financial reports, inadequacy of staffing, and its failure to receive adequate management, administrative, and policy guidance from its Board of Directors and executive staff. Concerned with SAEOC's ability to deliver services and the potential loss of federal funds to this community through fiscal sanctions, your Board and Council formally requested HHS in February 1982 to immediately transfer responsibilities for community action and Head Start activities from SAEOC to Sacramento Employment and Training Agency (SETA) as an interim operator. This action was requested on the basis that the transfer be made on behalf of prospective grants and programs and with the understanding that SETA would assume no prior obligations or liabilities of SAEOC. In addition, the Board of Supervisors terminated agreements with SAEOC for senior citizens nutrition and Delta transportation services which are currently provided through other agencies.


On August 11, 1982, the HHS Administration for Children, Youth, and Families awarded the \$2.6 million Head Start grant for Sacramento County to SETA. However, the HHS Office of Community Services denied transfer of the 1982 community action agency grant to SETA based on its interpretation of federal legislation which provided for transfer--effective October 1, 1982--of community action program administration to the states through a new Community Services Block Grant (CSBG). According to HHS officials, this legislation did not address the situation in which an existing community action agency is determined to be incapable of continuing to administer programs during the period transition from federal to state block grant administration. However, pursuant to special federal legislation authored by Congressman Matsui and supported by Senator Cranston, Fiscal Year 1982 CSBG funds earmarked for Sacramento County were transferred to SETA. On September 30, 1982, SETA was awarded \$785,000 by the HHS Office of Community Services to implement community action agency activities in Sacramento County. The grant period extends from September 1, 1982 through August 31, 1983. In accordance with federal requirements, the SETA Governing Board has approved a Composition and Selection Plan for establishing a Community Action Board for SETA to oversee the administration of the CSBG funds. This Board will be composed of representatives of the public, private, and low-income sectors of the community.

The state legislature has not yet adopted legislation to assume administration of the block grant program. However, the Office of Economic Opportunity has been assigned the responsibilities for carrying out, in California, administrative duties previously handled by the Federal Government under the CSBG program. In compliance with a November 5, 1982 state deadline (subsequently changed to November 19), SETA has submitted an application to the State Office of Economic Opportunity for Fiscal Year 1983 CSBG funding.

Under guidelines developed by the State Office of Economic Opportunity for recognizing entities eligible for CSBG funding, local government has the responsibility for determining which agency or organization will administer the program locally. As a joint powers agency formed by the County of Sacramento and the City of Sacramento for purposes which include the operation and administration of human services programs, SETA is qualified and empowered to receive funds for and provide for anti-poverty and other social service programs. Since SETA is in the unique position of being sponsor of the Comprehensive Employment and Training Act (CETA) program and the grantee for Head Start programs in Sacramento County, SETA's designation as the Community Action Agency for Sacramento would allow for the implementation of a comprehensive human services network under one umbrella agency. Based on the foregoing, formal action by your Board and Council to so designate SETA for 1983 and subsequent fiscal years is recommended at this time.

Respectfully submitted,


BRIAN H. RICHTER
County Executive


WALTER SLIPE
City Manager

Attachment (0890f)

cc: David R. Martinez, Executive Director, SETA
L. B. Elam, County Counsel
James Jackson, City Attorney
Edgar A. Sayre, Auditor-Controller

RESOLUTION NO. 82-817

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION CONCURRING IN THE ACTION OF
THE BOARD OF SUPERVISORS IN DESIGNATING
SETA AS A COMMUNITY ACTION AGENCY

WHEREAS the Board of Supervisors of Sacramento County has designated the Sacramento Employment and Training Agency as a Community Action Agency by its resolution No. adopted on November 23, 1982;

WHEREAS the City Council deems it appropriate to concur in said action by the Board of Supervisors,

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT it hereby concurs in the action of the Board of Supervisors in designating SETA as a Community Action Agency for the 1983 and following fiscal years.

MAYOR

ATTEST:

CITY CLERK**APPROVED**
BY THE CITY COUNCIL

NOV 23 1982

OFFICE OF THE
CITY CLERK

