

**OFFICE OF COMMUNITY EMPOWERMENT AND OPPORTUNITY  
FISCAL YEAR 2020 BUDGET TESTIMONY**

**DEPARTMENT MISSION & PLANS**

**Mission:** The Office of Community Empowerment and Opportunity (CEO) supports the economic growth of Philadelphia by promoting economic inclusion so that all Philadelphians can benefit from a growing economy. CEO is the City's Community Action Agency (CAA): CAAs are private or public agencies created by the 1964 Economic Opportunity Act and are federally designated to receive Community Services Block Grant (CSBG) funding.

**Plans for Fiscal Year 2020**

In 2018, CEO began the process of strategic planning, with the goal of developing a five-year vision and strategic plan that aligns with the Administration and improves outcomes for people in Philadelphia experiencing poverty. CEO recognizes that our value-add lies in our focus and expertise on mobility out of poverty, and our ability to connect with and elevate the voices of communities experiencing the highest levels of poverty in the city. In the development of strategic tasks and the implementation of the plan, CEO considered how these two overarching strategies can be further strengthened as a core competency and applied more broadly and deeply in our work.

The following strategies were developed from CEO's work throughout the planning process, and provide the basis for our strategic framework for the next five years. CEO's work will focus on economic justice and equity for people living in poverty in a growing Philadelphia.

- **Inform, Advocate, and Collaborate** - While many departments in city government address poverty, this is the primary focus of CEO. The City needs an office that can work collaboratively with all stakeholders to support policy changes at systems, operational, and programmatic levels to be able to make lasting change.
- **Establish Metrics** - Current measures of poverty insufficiently demonstrate the complexity of the issue. By establishing metrics and decentralizing data CEO will work to establish measures that demonstrate shifts in the factors that influence poverty.
- **Support and Lead Programs** - Many of CEO's functions come as a funder. By establishing operating principles that clearly articulate the office's goals, programs can drive at outcomes instead of process.
- **Utilize Convenings** - CEO has a bond with the community and an ability to bring people together. By tapping the potential of convenings, the office can have a greater impact in its efforts.

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**BUDGET SUMMARY & OTHER BUDGET DRIVERS**

<b>Staff Demographics Summary (as of November 2018): All Funds</b>				
	Total	Minority	White	Female
Number of Full-Time Staff	26	19	7	17
Number of Exempt Staff	26	19	7	17
Number of Executive Staff (deputy level and above)	2	2	0	1
Average Salary, Full-Time Staff	\$61,434	\$64,863	\$52,126	\$57,365
Average Salary, Exempt Staff	\$61,434	\$64,863	\$52,126	\$57,365
Average Salary, Executive Staff	\$111,950	\$111,950	N/A	\$90,000
Median Salary, Full-Time Staff	\$56,650	\$56,650	\$48,000	\$48,000
Median Salary, Exempt Staff	\$56,650	\$56,650	\$48,000	\$48,000
Median Salary, Executive Staff	\$111,950	\$111,950	N/A	\$90,000

<b>Employment Levels (as of November 2018): All Funds</b>		
	Budgeted in FY19	Filled as of the Increment Run (11/18)
Number of Full-Time Positions	36	26
Number of Exempt Positions	36	26
Number of Executive Positions (deputy level and above)	3	2
Average Salary of All Full-Time Positions	\$61,848	\$61,434
Median Salary of All Full-Time Positions	\$56,650	\$56,650

<b>General Fund Financial Summary by Class</b>						
	FY18 Original Appropriations	FY18 Actual Obligations	FY19 Original Appropriations	FY19 Estimated Obligations	FY20 Proposed Appropriations	Difference: FY20-FY19
Class 100 - Employee Compensation	\$230,000	\$233,263	90,000	\$90,000	\$90,000	\$0
Class 200 - Purchase of Services	\$1,445,000	\$1,913,500	\$0	\$0	\$0	\$0
	<b>\$1,675,000</b>	<b>\$2,146,763</b>	<b>\$90,000</b>	<b>\$90,000</b>	<b>\$90,000</b>	<b>\$0</b>

<b>Grants Revenue Fund Financial Summary by Class</b>						
	FY18 Original Appropriations	FY18 Actual Obligations	FY19 Original Appropriations	FY19 Estimated Obligations	FY20 Proposed Appropriations	Difference: FY20-FY19
Class 100 - Employee Compensation	\$3,126,677	\$2,132,285	\$2,828,464	\$2,395,118	\$3,113,655	\$718,537
Class 200 - Purchase of Services	\$16,486,379	\$10,539,576	\$15,646,220	\$11,905,410	\$15,477,033	\$3,571,623
Class 300/400 - Materials, Supplies & Equipment	\$64,463	\$71,073	\$70,540	\$50,132	\$65,172	\$15,040
	<b>\$19,677,519</b>	<b>\$12,742,934</b>	<b>\$18,545,224</b>	<b>\$14,350,660</b>	<b>\$18,655,860</b>	<b>\$4,305,200</b>

<b>Contracts Summary (Professional Services only)</b>						
	FY14	FY15	FY16	FY17	FY18	FY19 YTD (Q1 & Q2)
Total amount of contracts	\$72,045	\$130,643	\$140,319	\$114,455	\$271,788	\$74,130
Total amount to M/W/DSBE	\$50,000	\$71,072	\$64,000	\$49,798	\$140,000	\$6,250
Participation Rate	69%	54%	46%	44%	52%	8% <sup>1</sup>

<sup>1</sup> The FY19 YTD Participation Rate is uncharacteristically low, due to the timing of conformed contracts. The department anticipates ending the year around 44% if a pending contract is conformed by the end of June.

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<b>Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies &amp; Equipment; and Professional Services combined)</b>			
	FY18	FY19	FY20
M/W/DSBE Contract Participation Goal	50%	50%	50%

**PROPOSED BUDGET OVERVIEW**

**Proposed Funding Request:**

The proposed Fiscal Year 2020 **General Fund** budget totals \$90,000, level with Fiscal Year 2019 estimated obligation levels.

The proposed budget includes:

- \$90,000 in Class 100, level with FY19.

The proposed Fiscal Year 2020 **Grants Revenue Fund** budget totals \$18,655,860, an increase of \$4,305,200 over Fiscal Year 2019 estimated obligation levels. This increase is due to larger funding allocations awarded to CEO from grantors.

The proposed budget includes:

- \$3,113,655 in Class 100, an increase of \$718,537 over FY19. This funding will cover salaries and employee benefits.
- \$15,477,033 in Class 200, an increase of \$3,571,623 over FY19. This funding will support the department's contracts.
- \$65,172 in Class 300/400, an increase of \$15,040 over FY19.

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**STAFFING LEVELS**

The department is requesting 0 General Fund-budgeted positions for FY20, level with FY19. CEO's proposed \$90,000 in class 100 funds will support match requirements for grant-funded positions.

The department is requesting 34 Grants Revenue Fund-budgeted positions for FY20, a decrease of two positions from FY19. The decrease is attributed to the transfer of two staff positions to two other City Departments: the Managing Director's Office and the Office of Homeless Services.

**NEW HIRES**

New Hires (from 7/1/2018 to 11/25/18)			
	Total Number of New Hires	Gujarati	Hindi
Asian	1	1	1
White	2		
Total	3	1	1

Since the increment run, CEO has hired one new employee who identifies as African American and speaks Portuguese Creole.

**PERFORMANCE, CHALLENGES, AND INITIATIVES**

<b>FY20 Strategic Goals</b>			
<ul style="list-style-type: none"> <li>• Focus job creation and workforce development efforts on adults with the greatest barriers to employment.</li> <li>• Expand access to public benefits and essential services.</li> <li>• Increase housing security.</li> <li>• Strengthen economic security and asset building.</li> </ul>			
<b>FY20 Performance Measures</b>			
	CY18 Actual	CY19 Target	CY20 Target
Benefits Access: Number of households who enroll in benefits	3,712	3,800	3,800
Benefits Access: Average dollar value of benefits accessed per household <sup>1</sup>	\$2,448	\$2,500	\$2,500
Financial Empowerment: Number of individuals who received one-on-one financial counseling <sup>2</sup>	318	325	325

<sup>1</sup> This is the average dollar value of each federal, state, and local benefit per household per year.

<sup>2</sup> Financial Empowerment Centers (FECs) provide one-on-one financial counseling at no cost to the consumer. FEC counselors provide services such as credit repair, access to affordable and safe checking and savings accounts, home-ownership preparation, and retirement saving.

**OTHER BUDGETARY IMPACTS**

**Federal and State (Where Applicable)**

President Trump's budget proposal includes the elimination of programs critical to low-income families, including the Community Services Block Grant (CSBG), which helps fund CEO programs and services, and the Low-Income Home Energy Assistance Program (LIHEAP). The proposed budget would cut SNAP (food stamps), cut basic assistance for people with disabilities through Social Security Disability Insurance and Supplemental Security Income, and reduce supports to poor families with children through Temporary Assistance for Needy Families (TANF).

CEO is funded almost exclusively by CSBG dollars. Without these resources, CEO, and other Community Action Agencies, will not have sufficient funding to continue operating and may be forced to cut staff or shut down entirely. The magnitude in which these cuts would impact Philadelphia residents is astounding. Without the federal dollars that fund essential programs, hundreds of thousands of struggling families in Philadelphians would be adversely affected.

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**CONTRACTING EXPERIENCE**

As of April 10, 2019, CEO does not have any conformed professional services contracts in FY19 with for-profit vendors over \$34,000. For FY19 to date, CEO has four conformed Miscellaneous Purchase Orders with for-profit vendors, \$34,000 or under.

<b>Non-Profit Vendor Demographics</b>		
<b>Benefits Data Trust</b>	<b>Minority %</b>	<b>Female %</b>
Workforce	50%	66%
Executive	17%	58%
Board	0%	20%
<b>Center for Employment Opportunities.</b>	<b>Minority %</b>	<b>Female %</b>
Workforce	70%	50%
Executive	43%	57%
Board	33%	58%
<b>First Step Staffing</b>	<b>Minority %</b>	<b>Female %</b>
Workforce	75%	83%
Executive	50%	0%
Board	17%	17%



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**EMPLOYEE DATA**

<b>Staff Demographics (as of November 2018)</b>				
<b>Full-Time Staff</b>			<b>Executive Staff</b>	
	Male	Female		
	African-American	African-American		
<i>Total</i>	5	10	<i>Total</i>	1
<i>% of Total</i>	19%	38%	<i>% of Total</i>	50%
<i>Average Salary</i>	\$80,933	\$62,648	<i>Average Salary</i>	\$133,900
<i>Median Salary</i>	\$72,491	\$56,043	<i>Median Salary</i>	\$133,900
	White	White		
<i>Total</i>	2	5	<i>Total</i>	0
<i>% of Total</i>	8%	19%	<i>% of Total</i>	0%
<i>Average Salary</i>	\$56,050	\$50,577	<i>Average Salary</i>	\$0
<i>Median Salary</i>	\$56,050	\$48,000	<i>Median Salary</i>	\$0
	Hispanic	Hispanic		
<i>Total</i>	1	2	<i>Total</i>	0
<i>% of Total</i>	4%	8%	<i>% of Total</i>	0%
<i>Average Salary</i>	\$45,308	\$47,972	<i>Average Salary</i>	\$0
<i>Median Salary</i>	\$45,308	\$47,972	<i>Median Salary</i>	\$0
	Asian	Asian		
<i>Total</i>	1	0	<i>Total</i>	0
<i>% of Total</i>	4%	0%	<i>% of Total</i>	0%
<i>Average Salary</i>	\$60,000	\$0	<i>Average Salary</i>	\$0
<i>Median Salary</i>	\$60,000	\$0	<i>Median Salary</i>	\$0
	Other	Other		
<i>Total</i>	0	0	<i>Total</i>	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%
<i>Average Salary</i>	\$0	\$0	<i>Average Salary</i>	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0
	Bilingual	Bilingual		
<i>Total</i>	2	3	<i>Total</i>	0
<i>% of Total</i>	8%	12%	<i>% of Total</i>	0%
<i>Average Salary</i>	\$52,654	\$61,165	<i>Average Salary</i>	\$0
<i>Median Salary</i>	\$52,654	\$47,972	<i>Median Salary</i>	\$0
	Male	Female		
<i>Total</i>	9	17	<i>Total</i>	1
<i>% of Total</i>	35%	65%	<i>% of Total</i>	50%
<i>Average Salary</i>	\$69,119	\$57,365	<i>Average Salary</i>	\$133,900
<i>Median Salary</i>	\$64,375	\$48,000	<i>Median Salary</i>	\$133,900

**LANGUAGE ACCESS**

**1. Has your leadership received language access training?**

Yes. Executive staff received training provided by the Office of Immigrant Affairs in February, 2017.

**2. Do you currently have a language access coordinator?**

Yes, our Benefits Access Supervisor, Sulaiman Wood.

**3. Has your department written a language access plan and is it posted online?**

Yes, it is available here: <https://beta.phila.gov/documents/language-access-plans>

**4. Explain what your department has done to improve language access services over the past year.**

We have translated all of our outward-facing benefits access documents and trained all CEO staff in accessing language services.