

OFFICE OF COMMUNITY EMPOWERMENT & OPPORTUNITY
FISCAL YEAR 2024 BUDGET TESTIMONY
MARCH 2023

INTRODUCTION

Good morning, President Clarke and Members of City Council. I am Mitchell Little, Executive Director. I am pleased to provide testimony on the Office of Community Empowerment & Opportunity (CEO)'s Fiscal Year 2024 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The Office of Community Empowerment and Opportunity (CEO) supports the economic growth of Philadelphia by providing leadership on issues of economic justice and advancing racial equity and inclusive growth to ensure that all Philadelphians can share in the City's future. CEO carries out its mission by funding and piloting new programs, engaging in advocacy, supporting policy research and analysis, and convening local and national stakeholders. The work of CEO is guided by its Strategic Framework.

Plans for Fiscal Year 2024:

- **Increase Public Engagement Efforts:** expand trauma-informed community engagement and develop equitable community engagement tools to increase access to basic needs in most vulnerable communities, connect families and individuals to resources, and serve as a connector between communities and city government. Through the integration of Philly Counts and other citywide programs (MOCEVS), CEO will expand the city's approach to trauma-informed community engagement by collocating critical outreach programs that successfully engage the most marginalized communities. This work includes CEO's existing Benefits Access work as well as newer programs such as election, vaccine, water access and other basic needs and benefits available to support those in need. By the integration of this work into an existing city department, we will be able to multiply the impact and more importantly, connect communities to a broader scope of resources.
- **Launch Debt Collection Representation Program:** The Debt Collection Representation Program will support the work of the newly launched Consumer Financial Protection Task Force. It's modeled after the Philadelphia Eviction Prevention Project and has been a request of the court. This program will directly impact Black and Brown communities whom we have seen repeatedly be victimized by racially-driven targeted wealth stripping of the most vulnerable communities.
- **Complete the GROW Pilot** and make recommendations for program and policy changes based on results of study. The GROW pilot is a Guaranteed Basic Income Pilot and corresponding research study. The GROW study aligns with other similar studies currently being conducted nationally, however; this study is the first of its kind based on the population (ETANF participants). CEO believes this study is significant given the limited research that currently exist on TANF populations notwithstanding ETANF. While TANF enrollments have decreased nationally, poverty has increased or remained the same in many areas across the country, and Philadelphia remains the number one city among the top ten largest cities by population with the highest poverty (and deep poverty) rate. Therefore, the Work Ready research and GROW study findings have the propensity to inform Philadelphia and Pennsylvania on strategies that can lead to greater economic mobility for TANF families and more specifically ETANF participants but can serve as a proxy for addressing individuals and families impacted by poverty.

- **Engage in the Accelerated Rehabilitative Disposition (ARD)** program study to learn more about the impact of criminal diversion initiatives. (ARD) is a criminal diversion program in Philadelphia that has a low completion rate due in large part to the fees needed to complete the program. The program will seek to demonstrate the effect that fee elimination has on completion rates and the effect fee elimination has on disproportionality in completion rates.
- Expanding CEO's ability to make data-informed decisions centered in equity by launching and using a set of metrics and dashboards to improve performance and measure impact toward organizational goals.
- Expand integration of racial equity into day-to-day work through the citywide Racial Equity Cohort and work with Government Alliance on Race and Equity (GARE).

BUDGET SUMMARY & OTHER BUDGET DRIVERS

Staff Demographics Summary (as of December 2022)				
	Total	Minority	White	Female
Number of Full-Time Staff	27	18	9	16
Number of Exempt Staff	27	18	9	16
Number of Executive Staff (deputy level and above)	3	1	2	2
Average Salary, Full-Time Staff	\$76,824	\$73,647	\$83,178	\$79,172
Average Salary, Exempt Staff	\$76,824	\$73,647	\$83,178	\$79,172
Average Salary, Executive Staff	\$128,388	\$145,164	\$120,000	\$120,000
Median Salary, Full-Time Staff	\$68,500	\$68,000	\$72,500	\$71,000
Median Salary, Exempt Staff	\$68,500	\$68,000	\$72,500	\$71,000
Median Salary, Executive Staff	\$125,000	\$145,164	\$120,000	\$120,000

Employment Levels (as of December 2022)		
	Budgeted	Filled
Number of Full-Time Positions	55	27
Number of Part-Time Positions	0	0

Number of Exempt Positions	49	27
Number of Executive Positions (deputy level and above)	4	3
Average Salary of All Full-Time Positions	\$69,969	\$76,824
Median Salary of All Full-Time Positions	\$64,000	\$68,500

General Fund Financial Summary by Class						
	FY22 Original Appropriations	FY22 Actual Obligations	FY23 Original Appropriations	FY23 Estimated Obligations	FY24 Proposed Appropriations	Difference: FY24-FY23
Class 100 - Employee Compensation	\$45,000	\$44,997	\$177,185	\$177,185	\$739,446	\$562,261
Class 200 - Purchase of Services	\$1,464,000	\$1,463,999	\$1,714,007	\$1,714,007	\$1,805,707	\$91,700
Class 300/400 - Materials, Supplies & Equipment	\$0	\$0	\$3,808	\$3,808	\$3,998	\$190
Class 500 - Contributions	\$382	\$382	\$0	\$0	\$0	\$0
	\$1,509,382	\$1,509,378	\$1,895,000	\$1,895,000	\$2,549,151	\$654,151

Contracts Summary (Professional Services only)						
	FY20	FY21	FY22	FY23	FY23 YTD (Q1 & Q2)	FY24 Projected
Total amount of contracts	\$214,072	\$68,660	\$450,000	\$200,000	\$340,000	\$500,000
Total amount to M/W/DSBE	\$112,955	\$30,896	\$85,000	\$90,000	\$79,000	\$175,000
Participation Rate	53%	45%	19%	45%	23%	35%

Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)			
	FY22	FY23	FY24 Projected
M/W/DSBE Contract Participation Goal	45%	45%	35%

PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2024 General Fund budget totals \$2,549,151 an increase of \$654,151 over Fiscal Year 2023 estimated obligation levels. This increase is primarily due to the integration of Philly Counts and OCEVS into CEO.

The proposed budget includes:

- \$739,446 in Class 100, a \$562,261 increase over FY23. This funding will continue support for the Same Day Work and Pay staff in CEO and support the integration of staff from PhillyCounts and OCEVS.
- \$1,805,707 in Class 200, a \$91,700 increase over FY23. This funding will continue to fund Same Day Work and Pay and Earned Income Tax Credit/Child Tax Credit contracts - helping offset inflationary increases and support the integration of Philly Counts and OCEVS.
- \$3,998 in Class 300/400, a \$190 increase over FY23. This funding will help support Same Day Work and Pay, Earned Income Tax Credit and Child Tax Credit programming.

STAFFING LEVELS

The department is requesting 49 budgeted positions for FY24, an increase of 9 positions over FY23. The increase is attributed to the transfer of the OCEVS General Fund staff positions.

NEW HIRES

New Hires (from 7/1/2022 to December 2022)	
	Total Number of New Hires
Black or African American	3
Asian	3
Hispanic or Latino	1
White	3
Total	10

PERFORMANCE, CHALLENGES, AND INITIATIVES

Measure	 CY22 ACTUAL	 CY22 TARGET	 CY23 TARGET	 MAYORAL PRIORITY
Benefits Access: Number of households who enroll in benefits	455	1,000	1,000	
Benefits Access: Average dollar value of benefits accessed per household	\$5,950	\$5,000	\$5,000	
Financial Empowerment: Number of individuals who received one-on-one financial counseling	884	1,000	1,000	
Measure	 FY22 ACTUAL	 FY23 TARGET	 FY24 TARGET	 MAYORAL PRIORITY
Child Tax Credit: Number of returns filed by tax prep partners*	N/A	13,500	13,500	
Child Tax Credit: Number of click-throughs on digital ads*	N/A	4,500	4,500	

*This is a new measure for FY24 and therefore prior year data is not available.

FY24 STRATEGIC GOALS

- **Public Engagement:** Expand trauma-informed community engagement and develop equitable engagement tools to increase access to basic needs in the most vulnerable communities, connect families and individuals to resources, and serve as a connector between communities and City government. Through the integration of Philly Counts and other citywide programs (OCEVS), CEO will expand the City's approach to trauma-informed community engagement by collocating critical outreach programs that engage the most vulnerable communities. This work includes CEO's existing Benefits Access work as well as newer programs such as election, vaccine, water access and other basic needs. By integrating this work into an existing City department, CEO can multiply the program's impact and connect communities to a broader scope of resources.
- **Engage in the Accelerated Rehabilitative Disposition (ARD) program study** to learn more about the impact of criminal diversion initiatives. (ARD) is a criminal diversion program in Philadelphia that has a low completion rate due in large part to the fees needed to complete the program. The

program will seek to demonstrate the effect that fee elimination has on completion rates and the effect fee elimination has on disproportionality in completion rates.

- Expanding CEO's ability to make data-informed decisions centered in equity by launching and using a set of metrics and dashboards to improve performance and measure impact toward organizational goals.
- Expand integration of racial equity into day-to-day work through the citywide Racial Equity Cohort and work with Government Alliance on Race and Equity (GARE).

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

We do not anticipate significant changes in our State and Federal funding sources.

Community Services Block Grant Federal Funding

PA DHS Work Ready Grant Federal Funding pass through State

Human Services Development Fund State Funding

CONTRACTING EXPERIENCE

M/W/DSBE Participation on Large Professional Services Contracts											
Top Five Largest Contracts, FY23											
Vendor Name	Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % Participation - All DSBES	Total \$ Value Participation - All DSBES	Local Business (principal place of business located within City limits) [yes / no]	Waiver for Living Wage Compliance? [yes / no]
ab+c Creative Intelligence	Design and implement a marketing and engagement strategy to maximize the number of Philadelphians that file for and receive the expanded federal CTC and EITC.	\$300,000	7/19/2021	7/1/2022	MBE: 3-6%	7%	\$21,000	13%	39,000		
					WBE: 2-5%	6%	\$18,000				
					DSBE: N/A	0%	\$0				
Creative Repute LLC	Graphic design services to create reports, documents, and marketing materials that effectively communicate information about	\$40,000	5/3/2022	12/1/2022	MBE: N/A	50%	\$20,000	100%	- \$40,000		
					WBE: N/A	50%	\$20,000				
					DSBE: N/A	0%	\$0				

	certain CEO-sponsored activities, programs, and events to partner organizations, stakeholders, consumers, and the general public.										
--	---	--	--	--	--	--	--	--	--	--	--

Non-Profit Vendor Demographics		
JEVS Human Services	Minority %	Female %
Workforce	77%	68%
Executive	27%	45%
Board	10%	48%
PMHCC, INC	Minority %	Female %
Workforce	70%	68%
Executive	33%	83%
Board	38%	63%
Utility Emergency Services Fund	Minority %	Female %
Workforce	77%	82%
Executive	25%	50%
Board	67%	67%

Thomas Scattergood Behavioral Health Foundation	Minority %	Female %
Workforce	54%	77%
Executive	0%	50%
Board	45%	73%
Benefits Data Trust	Minority %	Female %
Workforce	50%	67%
Executive	38%	63%
Board	45%	36%

EMPLOYEE DATA

Staff Demographics (as of December 2022)				
Full-Time Staff			Executive Staff	
	Male	Female		
	African-American	African-American		
<i>Total</i>	5	8	<i>Total</i>	1
<i>% of Total</i>	18%	29%	<i>% of Total</i>	33%
<i>Average Salary</i>	\$66,447	\$69,706	<i>Average Salary</i>	\$145,164
<i>Median Salary</i>	\$61,950	\$64,250	<i>Median Salary</i>	\$145,164
	White	White		
<i>Total</i>	3	3	<i>Total</i>	0
<i>% of Total</i>	11%	11%	<i>% of Total</i>	0%
<i>Average Salary</i>	\$75,367	\$81,167	<i>Average Salary</i>	N/A
<i>Median Salary</i>	\$63,000	\$72,500	<i>Median Salary</i>	N/A
	Hispanic	Hispanic		
<i>Total</i>	1	1	<i>Total</i>	0
<i>% of Total</i>	4%	4%	<i>% of Total</i>	0%
<i>Average Salary</i>	\$65,000	\$68,500	<i>Average Salary</i>	N/A
<i>Median Salary</i>	\$65,000	\$68,500	<i>Median Salary</i>	N/A
	Asian	Asian		
<i>Total</i>	0	2	<i>Total</i>	0
<i>% of Total</i>	0%	7%	<i>% of Total</i>	0%
<i>Average Salary</i>	N/A	\$79,750	<i>Average Salary</i>	N/A
<i>Median Salary</i>	N/A	\$79,750	<i>Median Salary</i>	N/A

	Other	Other		Other	Other
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	N/A	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	N/A	<i>Median Salary</i>	N/A	N/A
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	2	3	<i>Total</i>	0	0
<i>% of Total</i>	7%	11%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$62,443	\$76,000	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$59,885	\$72,000	<i>Median Salary</i>	N/A	N/A
	Male	Female		Male	Female
<i>Total</i>	11	16	<i>Total</i>	1	2
<i>% of Total</i>	41%	59%	<i>% of Total</i>	33%	67%
<i>Average Salary</i>	\$68,938	\$74,781	<i>Average Salary</i>	\$145,164	\$120,000
<i>Median Salary</i>	\$62,475	\$72,000	<i>Median Salary</i>	\$145,164	\$120,000

LANGUAGE ACCESS

- 1. Provide the name of your language access coordinator, the date of your last department training, and a link to the posting of your language access plan.**

The language access coordinator is Solomon Leach, Communications Manager

- a. Training was conducted for all staff on June 9, 2022
- b. [Language Access Plan](#)

- 2. Breakdown new hires and existing staff by race and language. Breakdown how many front-line personnel are trained to provide language access services.**

All staff:

RACE	GENDER IDENTITY	LANGUAGE	LATEST START DATE
Hispanic or Latino	Woman	Spanish	5/5/2008
Asian (Not Hispanic or Latino)	Woman	Korean	11/18/2019
Asian (Hispanic or Latino)	Woman	Mandarin, Cantonese	10/17/2022
Black or African American (Not Hispanic or Latino)	Man	French	10/18/2021
Hispanic or Latino	Man	Spanish	12/19/2022

3. How many requests for language access services did your department receive in the past year? How many language access services were delivered by staff? Breakdown language access services provided, by language, including but not limited to the language line, translation of public notices and documents, website language services, and advertisement/publication services.

For FY22, we had the following:

- a. 7 requests for interpretation
 - i. 6 Spanish, 1 Portuguese
 - ii. All provided by Language Line
- b. 6 translations of print materials and web content (some were conducted by a third party as part of a contract with a communications firm and are not reflected in this data)
 - i. 3 print materials translated to Spanish, Chinese, French, Russian, and Vietnamese
 - ii. 1 blog post translated to Spanish, Chinese, French, Russian, and Vietnamese
 - iii. 2 print materials translated to Spanish, Chinese, French, Russian, Vietnamese, Arabic, and Khmer

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

We conducted training for all staff, provided language line materials for key staff, and increased the translation of printed materials and blog posts.

We utilized grant dollars to fund the translation of over 5,000 City website pages in partnership with OIA. This included the translation of 2,500 City website pages in Chinese and over 2,500 website pages in Spanish.

CLIMATE CHANGE

1. How has climate change affected your department's provision of services?

As a single factor, its effect informs thoughtful and targeted strategies. The Fourth National Climate Assessment reports that climate change will hit low-income communities the hardest as it takes a toll on the United States. Already recognizing that climate change is taking place, CEO has had to adjust our behaviors, systems, and infrastructure in response to already growing service needs and other impacts climate change has on the well-being of vulnerable communities. In urban areas such as Philadelphia, the poor live in neighborhoods with the greatest exposure to climate and extreme weather events, the report says. This includes living near sites with high pollution smog, litter, and in housing developments without access to sufficient insulation or air conditioning.

In Philadelphia low-income communities have higher rates of serious health consequences associated with conditions such as heart and lung disease, heat stroke and asthma attributed to climate change. In urban Philadelphia, approximately one out of five children have asthma, leaving them especially vulnerable. We've already created a strong partnership with the Department of Public Health's Lead and Healthy Homes Program and expect to see an increase in services to reduce health and safety hazards in homes of low income children in Philadelphia.

We would also expect that lack of health insurance among the poor will also intensify the risks of illnesses caused by climate change, leading to an increase in the need for communications and services from our BenePhilly Initiative which connects families to essential benefits and information.

Poor communities spend a greater portion of their income on basic necessities. Climate change ultimately impacts the quality agriculture, the availability of clean water, and energy production. This will lead to higher prices for basic necessities such as groceries, water and energy for Philadelphia communities who already have difficulty managing their money. CEO will continue to serve additional clients through our Financial Empowerment Centers, which help families to earn, keep and grow their finances.

Research shows a set of compelling connections between warm weather and crime rates, especially in the winter. Warmer winters set the stage for more violent crimes like assault and robbery, likely because warmer weather creates more opportunities for interactions between people. CEO expects an increase in the need for social intervention services that help to reduce crime. Helping to mitigate this impact, programs and services offered by CEO and its partners help families meet basic needs such as employment, housing, financial education, health services, and access to benefits, which are all cost-effective ways to reduce crime rates.

2. How might worsening climate change increase costs and demands for your department?

As outlined above, climate change will increase CEO's need to respond at a greater pace to narrow the gap of inequity associated with needs and services for low-income communities – which could lead to increased costs to increase staff and services strategically in response.

3. How does your department intend to mitigate and adapt to climate change?

CEO is uniquely positioned to inform, partner and meet the immediate needs of customers impacted by climate change. Our strategic model includes continuous innovation to meet the needs of the communities. By helping to inform the roadmap, increasing advocacy through research and analysis, increasing service hours, funding and introducing variables of service delivery through partnership with larger agencies to meet the increased demand are just a few of our goals already articulated in our Strategic Framework necessary to help the city meet various climate commitments, as outlined above.