

*City of Alexandria, Virginia*13
5-8-01

MEMORANDUM

DATE: MAY 3, 2001

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *ps*

SUBJECT: APPROVAL OF GRANT AWARD FROM THE UNITED STATES DEPARTMENT OF LABOR FOR INFORMATION TECHNOLOGY AND HEALTH CARE TRAINING FOR EMPLOYED AND UNEMPLOYED WORKERS

ISSUE: City Council consideration of a grant award in the amount of \$81,700 from the United States Department of Labor (U.S. DOL) for information technology and health care training for employed and unemployed workers.

RECOMMENDATION: That City Council:

- 1) Approve the grant award in the amount of \$81,700 for program administration, including staffing, for information technology and health care training for employed and unemployed workers;
- 2) Approve the establishment of one full-time, grant-funded position, a Human Services Program Coordinator, to operate the program. The position will terminate upon expiration of the grant and the individual who fills the position will be notified of this condition of employment and will sign an agreement of understanding with regard to this condition; and
- 3) Authorize the City Manager to execute all documents that may be required.

BACKGROUND: In response to industries experiencing skilled worker shortages, Congress enacted the Immigration Act of 1990 which created the H-1B visa category. The act was established to annually allow a limited number of non-immigrants to work in high skilled or specialty occupations experiencing shortages. Subsequent legislation increased the number of visas and added a \$500 fee. A portion of each fee was budgeted to establish skill training grants.

The U.S. DOL has awarded a series of demonstration grants to fund high-skills training for American workers in areas where companies were facing labor shortages. Funds for these grants have come from the fees paid under the H-1B visa program. Under recent legislation, DOL will continue to collect H-1B fees to generate additional grant funds in future years.

The Alexandria/Arlington Workforce Investment Board (WIB), on behalf of a broad coalition of business, education and community organizations applied for these funds. In October, the WIB was awarded \$2,723,600 to provide 200 incumbent workers high level training and 340 unemployed and underemployed people introductory training in information technology and health care specialties.

DISCUSSION: The Program Coordinator will facilitate the development of services under the grant for Alexandria workers, eligible vendors, and information technology employers in need of trained employees for their organizations. Additionally, the Coordinator will administer information technology and health care aptitude tests, refer clients to training, and provide career counseling, case management and follow-up placement services.

The grant designates that 90% of the total \$2.7 million is budgeted for direct training for clients. Arlington County has responsibility for processing all client training costs. The total allocated for administrative costs is \$267,332 with \$81,700 representing Alexandria's portion and the balance of administrative costs allocated to Arlington.

This is a two-year demonstration grant and the program is called the Northern Virginia Skills Initiative Project. The proposed duration of the grant is January 15, 2001 through January 15, 2003.

FISCAL IMPACT: \$81,700 will be received from the U.S. Department of Labor. The City is required to provide in-kind services funded by non-federal sources. *JobLink* provides a variety of services and resources for job seekers, including access to computers, fax machines and copiers, computerized assessment of aptitudes and skills, career counseling, assistance with resume preparation, and job placement. In addition, the City is responsible for the normal administrative costs associated with this grant. These costs include financial and reporting oversight provided by the administering agency, as well as by the Office of Management and Budget and by the Finance Department. It should be noted that there are no monies available in the City budget to continue this program once the grant funds are expended.

ATTACHMENTS: None

STAFF: Joe Stevens, Director, Office of Employment Training
Dennis McKinney, Division Director, *JobLink*
Meg O'Regan, Director, Department of Human Services
Carol Moore, Acting Deputy Director of Management and Budget