



Dear Friends and Colleagues,

We find it uncomfortable and unprecedented to be in struggle with a city that we love, but we believe this a temporary moment, and take this opportunity to continue to reach forward and lift up our community through our work. However, we will not be distracted from doing that work even if that means ruffling a few feathers.

It would be an understatement to say that the board and staff of the Oakland Private Industry Council, Inc. were stunned by the San Francisco Chronicle's June 2 article "Non-Profit Hits Up Oakland for Assist." As you have been a valued partner in our work over the years, we are providing you with our perspective while encouraging you to ask questions, challenge anything and give feedback!

What was not reported by the Chronicle is that the City Council voted to award the PIC the additional funds needed to do its work, which is a good indication that they are on the way to reforming a City-based system whose budgeting has failed to put the needs of its most vulnerable citizens first. Council members, civil rights advocates, community groups and clients acknowledged the essential work of the PIC at the June 2 City Council meeting, while criticizing the City's administration of steadily diminishing federal job training funds.

The PIC's decades long history as a non-profit organization providing training and employment services to Oakland's neediest was called into question by the Chronicle which appears to support those who want to use these vital funds for the city's expensive staff structures instead of

making those funds available to those who suffer the sting of unemployment and poverty. Increasingly scarce resources require thoughtful consideration in how they are distributed to maximize their impact as well as the intent of federal workforce legislation.

Following are a few points to carefully consider regarding the SF Chronicle article:

- Responsible, balanced journalism requires a response from all sides of an issue, especially true for a front page, lead article. We were given no reasonable time to respond (2 hours) and no indication whatsoever that the reporter was on deadline or required an immediate call-back. Instead the article went to press without balance, context, or reference to easily available public information on the issues the paper attempted to raise.
- The matter before the City Council was categorized by the Chronicle as a second “bail-out.” Not only was there never a first bailout, but more importantly, the City Council made it clear that our request was not a bail out, but was required by the City’s long-standing failure to comply with federal regulations on how to determine fair pricing for services that it requires.
- The PIC has a 30+ year track record of successful (“clean”) audits. We value the public’s trust and have always treated the public’s money with care and respect. There were several other red-herring points raised by the reporter, and all such matters referenced have been adjudicated in the PIC’s favor or resolved after our response.
- Whether the Chronicle will respond to correct such one-sided and incomplete reporting is another matter. We have requested a meeting with the publisher and are awaiting an answer.

We value the relationship we have had with city government over these many years, and we offer the following as constructive criticism to move closer to our shared objective of serving our unemployed and underemployed residents:

- We believe the City has a responsibility to follow the requirements of federal regulations when administering a system that affects so many of our neediest citizens. Oakland has failed for years to determine the legally required level of funding that must go to serving job seekers and employers. Instead it has taken “off the top” what it thinks City government needs --- this year 32% of allotted funding.
- We are dismayed that the City and the Oakland WIB do not hold themselves accountable for failures of performance resulting in significant sums of job training funds being returned, unused, to the state. *In addition, failure to meet required performance measures puts continued funding to Oakland at risk.*__The practice of blaming service providers for the city’s shortcomings does not serve anyone’s best interest. Rather, the City should seek the higher ground of supporting those who need help to simply survive in an increasingly expensive city.
- In direct violation of the City’s own Prompt Payment Ordinance, the City has held up reimbursement payments to the many non-profits serving Oakland’s needy youth and adults, sometimes for months, with no reason. There has been a consistent insensitivity to the cash flow needs of non-profit service organizations and, thus, to the people they serve. As a result some organizations have closed their doors. (A special thanks to the City Council for affirming its original intent that the Ordinance *does* apply to “grant funded programs.” This will make it easier for non-profits to continue their work, uninterrupted.)

On behalf of the board and staff of the Oakland PIC, we are grateful and honored to serve our mighty Oakland community, and look forward to the next thirty years (well...maybe not us!) of advocating for those who need and deserve our help. Jobless lives truly do matter.

In peace and spirit,

Gay Plair Cobb, Chief Executive Officer

Dezie Woods-Jones, Chair, Board of Directors

“I didn’t have time to write a short letter, so I wrote a long one instead.”

Mark Twain