M E M O R A N D U M

TO: Dan Sweat

FROM: T. M. Jim Parham, Executive Administrator
Economic Opportunity Atlanta, Inc.

RE: ACEP (Atlanta Concentrated Employment Program)

DATE: September 3, 1968

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We are alarmed about continued reductions in second year funds for ACEP. As of now we are told by regional U.S. Labor Department officials that we must take a one million dollar cut in federal funds budgeted for ACEP for the period September 1, 1968 thru August 31, 1969:

| Year | Federal Funds |
|---|---|
| 9/67 - 8/68 | $3,980,531 |
| 9/68 - 9/69 | $2,967,789 |

We learned many lessons in our first CEP year and had projected a modified program for the second year which incorporated many of these lessons. These continued reductions in funds, however, have required alterations in our second year projections for training and employment opportunities:

| Program Component | Original Plans for 2nd Year | Reduced Plans |
|---|---|---|
| New Careers | 300 | 150 |
| Youth Jobs | 250 | 150 |
| Atlanta Beautification Corps | 100 | 60 |
| Skills Training | 500 | 300 |
| Direct Placements | 600 | 600 |
| TOTAL | 1,750 | 1,260 |

If you don't count direct placements (since this involves little or no training investment), we are left with only 660 training opportunities for this large disadvantaged area which includes our total Model Cities community.

In addition to these reductions in potential training opportunities, these fund cuts have seriously diminished the ability of certain program components to be staffed at a level to give close, individual attention to the multiple problems of CEP clients. Of particular significance is the vital counseling and follow-up activity of Employment Service personnel.

Even if the amount of funds available had not been reduced it had been the concensus of planners (including business, representatives of the poor, employment service, the schools, U.S. Labor, and EOA) that the number of persons served should be reduced and the length of training increased. This conclusion was the result of the first year's experience that the socially and educationally crippled people enrolled in CEP could not be upgraded in a brief training program. With this substantial reduction in funds, however, the number of training opportunities is drastically reduced and the potential impact of the program watered down significantly. Any action which has this result is a danger to us and should be avoided if possible.

TMJP/gj