An ordinance amending Article 7 of Chapter 8 of Division 5 of the Los Angeles Administrative Code to rename the Productivity Incentive Revolving Fund as the Innovation Fund, to change the primary purpose of the fund to improve the quality, efficiency and effectiveness of City service through innovation, productivity and performance measurement, and to make certain technical changes to Article 7.

WHEREAS, the City Council, effective September 12, 1998, adopted Ordinance No. 172,140 thereby creating and establishing the Productivity Incentive Revolving Fund to provide loans to City departments for the purpose of improving the quality, efficiency and effectiveness of City service; and

WHEREAS, the City Council desires to rename the Productivity Incentive Revolving Fund as the Innovation Fund and to change the primary purpose of the fund to be the funding of City departments, through direct funding or loans, to improve the quality, efficiency and effectiveness of City service through innovation, productivity and performance measurement.

NOW, THEREFORE,

THE PEOPLE OF THE CITY OF LOS ANGELES

DO ORDAIN AS FOLLOWS:

Section 1. Article 7 of Chapter 8 of Division 5 of the Los Angeles Administrative Code is hereby renamed the "Innovation Fund."

Section 5.149 of the Los Angeles Administrative Code is hereby amended in its entirety to read as follows:

Sec. 5.149. Creation and Administration of the Fund.

- (a) The "Productivity Incentive Revolving Fund," a revolving trust fund created and established in the Treasury of the City of Los Angeles, is hereby renamed the "Innovation Fund," hereinafter referred to in this Article as the "Fund."
- (b) The purpose of the Fund is to provide funding through direct disbursements or loans to City departments to improve the quality, efficiency and effectiveness of City service through innovation, productivity and performance measurement.
- (c) An additional purpose of the Fund shall be for the receipt, retention and disbursement of gifts, contributions and bequests for the purposes set forth in this Chapter. All offers of such gifts, contributions and bequests with a value of more than \$5,000 shall be submitted to the City Council for acceptance or rejection. All offers of

such gifts, contributions and bequests with a value of \$5,000 or less may be accepted for and on behalf of the City by the City Administrative Officer.

- (d) The City Administrative Officer shall inform the Controller of any special terms or conditions placed upon the use of all monies accepted for deposit in the Fund. The Controller shall establish a separate account in the Fund for each specific use for all accepted monetary gifts, contributions or bequests which contain any special term or condition. No money shall be expended from the Fund except in compliance with each special term or condition under which such money was accepted. Any request for an expenditure of money from any such separate account shall be accompanied by sufficient information for the Controller to determine that the proposed expenditure would not contravene the specific use for which such separate account was established.
- (e) The Fund shall be administered by the City Administrative Officer. The Innovation and Performance Commission shall have the authority to approve loans from the Fund to City departments and to pay for administrative expenses of the Commission.
- (f) All monies loaned from the Fund shall be repaid to the Fund in accordance with the terms of the loan. The repaid principal and interest shall be placed in the Fund. After the borrowing department repays the principal and interest due, a portion of the savings generated from the project may be awarded to the department, in accordance with the terms of the loan. A portion may also be awarded to the Fund, in accordance with the terms of the loan. That portion not awarded to the department or the Fund shall be placed in the General Fund.
- (g) All interest and other earnings attributable to monies in the Fund shall be credited to each account in the Fund to which they are attributable and shall be devoted to the purposes thereof.
- (h) Funds may also be disbursed to the City Administrative Officer for staff costs and expenses in service to the Innovation and Performance Commission in the performance of all its duties.
- (i) The City Administrative Officer shall report to the City Council and Mayor regarding and identifying all receipts into, and all expenditures out of, the Fund, as well as the purposes for which the expenditures were made. Each report shall cover a fiscal year and shall be submitted within 60 days after the close of said fiscal year.

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles; one copy on the bulletin board located at the Main Street entrance to Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the city of Los Angeles, at its meeting of SEP 1 9 2014

HOLLY L. WOLCOTT, City Clerk

By Deputy

Approved: 4(23/14)

Mayor

Approved as to form and legality

MICHAEL N. FEUER, City Attorney

CURTIS S. KIDDER,
Assistant City Attorney

Date

File No. 14-0600-549

DECLARATION OF POSTING ORDINANCE

I, MARIA VIZCARRA, state as follows: I am, and was at all times hereinafter mentioned, a

resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City

of Los Angeles, California.

Ordinance No. 183231 - Amending Article 7 of Chapter 8 of Division 5 of the Los Angeles

Administrative Code to rename the Productivity Incentive Revolving Fund as the Innovation

Fund - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on

September 19, 2014, and under the direction of said City Council and the City Clerk, pursuant to

Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, on September 24,

2014 I posted a true copy of said ordinance at each of the three public places located in the City of

Los Angeles, California, as follows: 1) one copy on the bulletin board located at the Main Street

entrance to the Los Angeles City Hall; 2) one copy on the bulletin board located at the Main Street

entrance to the Los Angeles City Hall East; 3) one copy on the bulletin board located at the Temple

Street entrance to the Los Angeles County Hall of Records.

Copies of said ordinance were posted conspicuously beginning on September 24, 2014 and

will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.

Signed this 24th day of September, 2014 at Los Angeles, California.

Maria Vizcarra, Deputy City Clerk

Ordinance Effective Date: November 3, 2014

Council File No. 14-0600-S49