

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 22, 2015
To: The Mayor
The Council
From: Miguel A. Santana, City Administrative Officer
Reference: Economic and Workforce Development Department Transmittals dated June 5, 2015 and June 16, 2015
Subject: **WORKFORCE DEVELOPMENT BOARD YEAR SIXTEEN (2015-16) ANNUAL PLAN AND RELATED ACTIONS**

SUMMARY

In joint Transmittals dated June 5, 2015 (C.F. 15-0704) and June 16, 2015 (C.F. 15-0704), the Economic and Workforce Development Department (EWDD) and the Los Angeles Workforce Investment Board (WIB) request approval of the proposed City/Workforce Development Board Year 16 Annual Plan (Annual Plan) effective July 1, 2015 through June 30, 2016. Under the federal Workforce Innovation and Opportunity Act (WIOA) to be effective July 1, 2015, the WIB will be known as the Los Angeles Workforce Development Board (WDB). In this Report, the board is known as the WIB in Program Year (PY) 2014-15, and as the WDB in Year 16. Approximately \$64 million is available to implement the strategies and activities in the Year 16 Annual Plan. Funding sources include the WIOA formula/base grant and competitive grants, Los Angeles County grants, various special funds and the General Fund. The WIB, Council and Mayor are responsible for approval of the Annual Plan. The WIB considered and approved the Year 16 Annual Plan on May 27, 2015 following the required public comment period of 30 days, and approved amendments to the Annual Plan on June 12, 2015. We recommend approval of the Annual Plan, with the amendments approved by the WIB in the subsequent Transmittal dated June 16, 2015, and various actions required to implement the Annual Plan as detailed in the Recommendations section of this report and in the attached Controller instructions.

A summary of the funding sources for the Year 16 Annual Plan is as follows:

2015-16 Annual Plan Source of Funds	Amount
WIOA Formula Funds (Adult, Dislocated Worker, Youth, Rapid Response) – New funds	\$41,771,980
WIOA Formula Funds – Carryover from 2014-15	3,746,862
City General Fund – Summer Youth Employment, Cash for College, Hire LA, YOM	2,907,000
Private Sector and Other Sources – Summer Youth Employment	775,000
Los Angeles County: High Risk High Need, Temporary Assistance for Needy Families, and Workforce Innovation and Opportunity Act (WIOA) Grants	8,715,000
2014-15 Carryover Funds from Workforce Innovation Fund (WIF) (U.S. Department of Labor) - Los Angeles Regional Initiative for Social Enterprise (LA: RISE)	4,110,640
2014-15 Carryover Funds from Additional Assistance Project (Governor 25 Percent Discretionary Dislocated Worker), CA Department of Education Career Pathways Trust Fund, U.S. Department of Justice Second Chance, WIF LA Reconnections Career Academy, and Private Sector	815,286
2014-15 Carryover Funds from LA Southwest College Leading Engineering Education for the Future in Los Angeles (U.S. Department of Labor), and WIA funds for Nestle and Other Lay-Offs	687,028
2014-15 Carryover Funds from Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grant (U.S. Department of Labor)	262,500
2014-15 Carryover Funds for Youth Careers Connect (U.S. Department of Labor and U.S. Department of Education)	162,500
Total	\$63,953,796

Pursuant to EWDD's Year 15 (2014-15) WIB Carry-In Report (C.F. 14-0805-S1), the revised total funding for Year 15 is \$66.5 million, which is 4% more than the Year 16 (2015-16) Annual Plan amount of \$64 million. EWDD estimates \$64 million in funding for Year 16. Of the \$64 million total budget, approximately \$42 million is new funding from the ongoing WIA / WIOA formula/base grants, \$3.8 million is from prior year WIA formula/base grant savings and \$18.2 million is from other sources. The WIA / WIOA formula grants component (approximately \$42 million) experienced an increase of \$630,808 from the Year 15 Annual Plan amount.

The amount of the Year 16 Rapid Response formula funding award has not yet been announced; therefore, the Rapid Response estimate is based on current year funding. Additional funds which have been awarded but for which notification was received too late to include in the Year 16 Annual Plan are \$166,670 for the Disability Employment Accelerator Grant from the California Employment Development Department (EDD). The award period for this grant is from June 30, 2015 through September 30, 2016. In addition, the City is named as a co-applicant by the EDD for grant funds in the amount of \$1.2 million from a U.S. Department of Labor Sector Partnerships National Emergency Grant (SP NEG). This competitive grant aims to support new activities to re-employ dislocated workers, particularly by identifying work-based learning and sector partnerships bringing together a range of stakeholders including businesses, training providers, labor unions, community organizations, and the workforce system. The federal government has not yet decided the awardee of this competitive grant, and therefore, the funding is not confirmed. EWDD will report to Council regarding these grants, other changes and additional funds impacting the Annual Plan in the joint annual WDB Carry-In Report from EWDD and the WDB anticipated for release by November 2015.

Year 16 Annual Plan Highlights

The Annual Plan provides the details on revenues and expenditures for the City's Workforce Development System, including funding and approvals to implement service strategies and activities that enhance the WIB's efforts to assist low-wage, low-skill individuals through adequate training and workforce development activities. The Annual Plan also includes various employment, contracting and procurement authorities in support of WDS. Funding is provided for on-budget and off-budget program and administrative costs.

The WIB proposes a fully funded budget for the Program Year 16 Annual Plan and recommends the continuation of its previously established priorities. These priorities include refocusing on career development in high-demand employment sectors; harnessing new technologies and web-based applications; the Integrated Service Delivery Model intended to help enroll all eligible participants; leveraging strategic partnerships with education, employment training and social-service providers for more comprehensive services and increasing services for vulnerable populations, such as veterans, individuals with disabilities, those experiencing homelessness, mature/older workers and ex-offenders.

After a Request for Proposal process to identify service providers for its redesigned WorkSource Center (WSC) System, EWDD launched the improved system with 17 Adult WorkSource Centers (WSC) in Program Year 15, locating them in strategic locations with high concentrations of poverty, long-term unemployment and low levels of educational attainment (C.F. 14-0451). EWDD seeks to continue targeting vulnerable populations with high-demand sector training, the online WSC portal, Integrated Service Delivery, and leveraging WIA resources. Also, in coordination with EWDD's BusinessSource Centers, services will be expanded to individuals seeking self-employment opportunities.

In 2014, EWDD successfully competed for and was awarded a multi-year grant of \$6 million in Workforce Innovation Funds from the U.S. Department of Labor under the designation "Los Angeles Regional Initiative for Social Enterprise" (LA: RISE) (C.F. 14-1639). The funds are to provide workforce services targeting 500 job seekers with a history of homelessness and/or incarceration, as well as disconnected youth. EWDD will continue implementation of this grant in Year 16.

The YouthSource System continues to focus on the high school dropout crisis and student recovery efforts. New service elements imposed by WIOA in Year 16 include financial literacy education, entrepreneurial skills training, providing information about in-demand industry sectors and occupations, and postsecondary preparation and

transition activities. The City has implemented financial literacy education through partnerships in the past, and has secured funding from The Citi Foundation to continue this education for the summer of 2015.

Activities that are funded in the Year 16 Annual Plan are listed under the Strategies section of the Annual Plan document and include but are not limited to the following:

- Operation of 17 WorkSource Centers (WSC) for employment and support services and one WSC Portal for employment and support services
- Operation of 13 YouthSource Centers;
- 2015 Summer Youth Employment Program – Funding from non-WIA sources;
- WIF – LA: RISE Grant for vulnerable jobseekers;
- Year-Round support programs, including subsidized and unsubsidized work experience for youth;
- Cash for College; Hire LA's Youth and Los Angeles Youth Opportunity Movement – City General Funds and other sources;
- Rapid Response strategies to assist employers and workers recovering from industry decline;
- Services to vulnerable populations (ex-offenders, homeless persons, persons with disabilities and veterans);
- Training related supporting activities; and,
- Auditing, certification requirements, assessments, evaluation, continuous improvements, outreach, technology; studies and symposia and conferences for workforce development board members and professionals.

Additional information on the Annual Plan is provided in the Background Section of this report and in the joint Transmittals from EWDD and the WIB.

BACKGROUND

On June 12, 2015, the WIB Executive Committee approved amendments to the Year 16 Annual Plan which replaced one of the proposed WSC and revised the list of eligible Summer Youth Employment Program (SYEP) contractors. Chicana Services Action Center (CSAC) was replaced with ResCare Workforce Services as a WSC contractor. The actions also removed CSAC as a SYEP contractor. The joint Transmittal to Council from EWDD and the WIB dated June 16, 2015, recommends these changes to the proposed Year 16 Annual Plan. There are no changes to funding amounts. Recommendation 2u in this Report contains the revised list of SYEP contractors.

Workforce Innovation and Opportunity Act (WIOA)

From July 1, 2000, through June 30, 2015, the statutory authority for EWDD workforce development activities (and for those of its predecessor agency, the Community Development Department) has been the federal Workforce Investment Act of 1998 (WIA). The Workforce Innovation and Opportunity Act of 2014 (WIOA), which was signed into law by President Obama on July 22, 2014, will go into effect on July 1, 2015. The WIOA supersedes the WIA, and the proposed Program Year 16 Annual Plan represents the first year of workforce development activities for the City under the new legislation. The WIOA represents the first legislative reform of the public workforce system in 15 years. The U.S. Department of Labor has just recently issued Notices of Proposed Rulemaking governing implementation and administration of the WIOA. Final regulations are anticipated to be issued by January 22, 2016.

Changes to adult and youth workforce development services due to the new legislation include:

- Combining core and intensive services into "Career Services," and streamlining access to training;
- Increased emphasis on service to persons with disabilities;
- Requirement for 75% of youth allocation to be spent on out-of-school youth (increase from 30% under WIA);
- Requirement for 20% of youth allocation to be used for work experience;

- Redefined criteria and eligible ages for out-of-school programs as 16 to 24 years old (eligible ages under WIA were 14-21);
- Priority of service at all times is for recipients of public assistance, other low income individuals, and individuals who are basic skills deficient (under WIA, priority of service was only required in the case of limited funds).

The EWDD states that the City is well positioned to implement changes mandated by WIOA, and has already pursued policies and programs implementing the above mentioned changes. Policies within the Annual Plan have been rewritten to reflect the changes in customer flow. The City has partnered with the California Department of Rehabilitation for integrated services for individuals with disabilities. In 2012, the City's Youth workforce development system required that 70% of youth served be out-of-school youth. Currently, over 80% of youth served are out of school. The City has piloted programs to reconnect youth ages 16 to 24 with education and employment, and also emphasizes youth work experience with the Summer Youth Employment program and the year-round Hire LA's Youth program. EWDD's workforce programs have a history of serving those with the greatest need, with a focus on veterans, low-income families, individuals with disabilities, foster youth, and the homeless.

The WIOA also results in changes to local Workforce Development Boards (WDB), known as Workforce Investment Boards (WIB) under WIA. These changes include a reduction in the number of required board members, and the addition of requirements regarding representation and duties/functions of the board. The WIOA eliminates the requirement that the board include a representative from each WorkSource Center, and only requires representatives of core programs. The additional functions/duties of the board include employer engagement, leveraging of non-federal resources, leading efforts to develop career pathways (such as industry partnerships), and promoting more effective use of technology.

Workforce Investment Board – Local Elected Officials Agreement and Workforce Executive Administration

The WIA requires the establishment of a WIB to oversee the administration of WIA funds. The WIA also requires an agreement between the WIB and local elected officials (LEO) that defines the roles, responsibilities and working relationship of WIB, the WIB Administrator (EWDD), Council and Mayor in administering WIA programs for the City. The WIB-LEO Agreement requires that the WIB and local elected officials approve a local plan for each program year that includes program goals, services strategies and budget. The current WIB-LEO Agreement was approved by Council in January 2014 (C.F. 12-0602-S2), executed in February 2014 and attested by the City Clerk in March 2014 for the period of October 16, 2013 through October 16, 2018.

In addition to the approval of the WIB-LEO Agreement in January 2014, the Council approved a recommendation by the Economic Development Committee to instruct the Office of the City Administrative Officer, with the assistance of EWDD and the Personnel Department, to develop and implement the necessary personnel and budgetary actions to move the WIB Executive Staff from the Office of the Mayor to EWDD, and report to the Economic Development Committee. Subsequently, following discussions among staff at the CAO, EWDD and the Office of the Mayor, the WIB Executive position is currently retained in the Office of the Mayor.

This report contains a recommendation which allows the WDB to continue operating under the current WIB-LEO Agreement in Year 16 until such time as the WIOA federal and state regulations are released, anticipated in January 2016. EWDD states that due to the anticipated changes in the legislation regarding board duties and structure, it will become necessary to amend or re-negotiate the existing Agreement between the Los Angeles WDB and the local elected officials of the City. Therefore, we recommend that the final disposition regarding the WIB Executive staff position be included and resolved in the course of amending or renegotiating a new WDB-LEO Agreement, with the assistance of the Chief Legislative Analyst, EWDD and the Office of the Mayor.

EWDD Position Authorities and Costs

The Year 16 Annual Plan includes partial or full funding for 124 Full Time Equivalent positions (regular and resolution authorities) required to implement Annual Plan programs at EWDD. The positions are continued in the 2015-16 Adopted Budget (C.F. 15-0600). Authority for the resolution authorities will be provided in the 2015-16 Personnel Resolution Authority report that will be submitted for approval by the Council and Mayor in July 2015.

Approximately \$17.1 million is set aside for salaries and expenses for program and administrative functions: \$13.4 million for direct salary costs and operating expenses, and approximately \$3.7 million for indirect salary costs. In addition, approximately \$969,000 is provided for direct and indirect costs for administrative and program support in the City Attorney, Controller, General Services, Personnel Department and Mayor's Office. EWDD calculated indirect salary costs in the Annual Plan using the proposed Cost Allocation Plan (CAP) 36 rate, as prepared by the Controller's Office. The indirect salary costs in EWDD's Adopted 2015-16 Budget Revenue estimates are based on CAP 37, as proposed and released by the Controller's Office on March 31, 2015.

The Controller instructions included in this report make adjustments between funding sources and accounts approved in the 2015-16 Adopted Budget and the anticipated grants receipts and projected expenditures in the Annual Plan. The Annual Plan limits WIA administrative costs to a maximum of ten percent of the new allocation for 2015-16.

Summer Youth Employment Contractors

The EWDD requests approval to negotiate and execute one-year amendments to agreements with 22 contractors listed in Recommendation 2u for the Summer Youth Employment Program (SYEP). The names of the SYEP contractors, amount of City workforce funding and number of jobs funded are also listed in the joint Transmittal from EWDD and the WIB dated June 16, 2015 (C.F. 15-0704), which amended the Year 16 Annual Plan's SYEP 2015 Allocation Plan in the previous Transmittal dated June 5, 2015. Ten of the contractors responded to the 2015 Youth System Support Request for Qualifications.

Environmental Considerations

A Notice for Categorical Exemption from the California Environmental Quality Act for Year 16 Annual Plan services has been filed with the City Clerk and Los Angeles County Recorder's Office. The exemption is requested on the basis that Annual Plan programs are federally funded public services, including employment and training, that result in no impact on the physical environment and which do not involve construction or new public or private facilities.

Summary of Recommendations

The recommendations maintain adequate City oversight over procurement requirements and compliance, while allowing EWDD to exercise flexibility for program administration. The recommendations include the authority for EWDD to issue RFPs and/or RFQs for the life of each Annual Plan, establish a new special fund to receive grant funds under the new WIOA legislation, and make technical and financial adjustments between funding received under the WIA and the forthcoming new funding to be received under the WIOA. Council and Mayor approval will be required to extend the life of the RFPs and/or RFQs. The recommendations in this report comply with the City's Financial Policies in that federal, state, county grants and General Funds in the Adopted 2015-16 Budget provide funding for expenditures. The funding sources, details on service strategies and activities, policies, budget, accomplishments, service provider performance evaluations and public comments are included in the complete Annual Plan document. The EWDD Transmittals and Year 16 Annual Plan are available on the City's internet website at cityclerk.lacity.org, Council File Management System (C.F. 15-0704). The Attachment to this report provides Controller instructions required to implement the Year 16 Annual Plan.

RECOMMENDATIONS

1. That the Council, subject to the approval of the Mayor:
 - a. Adopt the Workforce Development Board (WDB) Year Sixteen Annual Plan for Program Year (PY) 2015-16 (Annual Plan) and its supporting budget. Approve and implement all policies contained in the Annual Plan as approved by the Workforce Investment Board (WIB), and authorize the General Manager, Economic and Workforce Development (EWDD), or designee, to implement the Annual Plan consistent with the recommendations contained herein;
 - b. Authorize the General Manager, EWDD, or designee, to:
 - i. Negotiate and execute agreements and amendments to agreements with public, private, non-profit and/or governmental entities with funds awarded as described in the Annual Plan, subject to the Workforce Investment Board-Local Elected Officials (WIB-LEO) agreement (C.F. 12-0602-S2). The WIB-LEO Agreement authorizes EWDD to execute agreements (not to exceed \$250,000 per agreement) identified in the Annual Plan, and to amend agreements previously approved in the Annual Plan. The execution of contracts and amendments under \$250,000 will be reported to the WDB within 30 days. Agreements that exceed \$250,000 require WDB, Council and Mayor approval. WDB, Council and Mayor approval is also required to negotiate and execute agreements with any entities awarded Workforce Innovation and Opportunity Act (WIOA) funds in excess of \$250,000 per contract per year through Request for Proposals (RFP) or Request for Qualifications (RFQ). Any amendment to agreements resulting in a policy change or in the purpose of the agreement, or change in funding in excess of \$250,000 (in one year), requires approval of the WDB, Council, and Mayor. Any amendment in an amount from \$25,000 to \$250,000 requires only approval from the WDB. All amendments are subject to approval of the City Attorney as to form and legality. Agreements or amendments in the amount of \$250,000 or less, which are not described in the Annual Plan, must have WDB, Council and Mayor approval;

With respect to Workforce Innovation and Opportunity Act (WIOA) authorities:

- ii. Accept U.S. Department of Labor (DOL) WIOA grant funds, assist the Controller in depositing and transferring WIOA funds as appropriate within established WIOA trust funds, and expend such funds upon proper demand in accordance with the directions in the Annual Plan;
- iii. Accept funds and execute Subgrant Agreements and any unilateral agreements to Subgrant Agreements, including amendments, between the State of California and the City of Los Angeles, between the DOL and the City of Los Angeles for Workforce Investment Act (WIA)/WIOA funds (including federal and state Discretionary awards, and other WIA/WIOA competitive grants), between the County of Los Angeles and the City of Los Angeles for WIA/WIOA funds, and between other Local Workforce Development Areas (LWDA) and the City of Los Angeles for WIA/WIOA, subject to review and approval of the City Attorney as to form and legality, and in compliance with Los Angeles Administrative Code §14.8 et seq. (City grant regulations). The receipt of such funds shall be reported to the WDB within 30 days;

With respect to solicitation authorities:

- iv. Develop and submit proposals and applications to secure additional WIOA funds and available non-WIOA funds to any public, private, nonprofit, or governmental entity for workforce development-related activities in accordance with City grant regulations. All

applications and their status shall be reported to the WDB within 30 days after submission;

- v. Develop and submit proposals or applications representing the WDB, subject to approval of the WDB, to any public, private, nonprofit, or governmental entity for workforce development-related activities. If the application period is less than 60 days from the notice of the Request for Proposals (RFP), then EWDD may submit proposals concurrently to the funding source and to the WDB. Approval of the WDB is required before acceptance of an award;
- vi. Accept funds and execute grant award agreements, subject to the review and approval of the City Attorney as to form and legality, in the event any proposals and/or applications are selected by any public, private, nonprofit, or governmental entity for funding (in accordance with City grant regulations). In accordance with the WIB-LEO agreement, Mayor, Council, and WDB approval is required prior to acceptance of and/or expenditure of any awards in excess of \$250,000. Award amounts between \$25,000 and \$250,000 are subject to approval by the WDB only;
- vii. Negotiate and execute agreements and amendments to agreements with funds awarded, as described in the Annual Plan, subject to approval as authorized in the WIB-LEO Agreement. The execution of contract and amendments under \$250,000 will be reported to the WDB within 30 days;

With respect to procurement authorities:

- viii. Issue Small Bid Purchases, Requests for Proposal (RFPs) or Requests for Qualifications (RFQs) in accordance with City procurement and Charter Section 1022 requirements (where applicable), subject to review and approval by the City Attorney as to form and legality. Authority is provided to issue RFPs and/or RFQs for the life of each Annual Plan. Council and Mayor approval is required to extend the life of the RFPs and/or RFQs. Anticipated service procurements related to items that are listed in the Service Strategies and Activities section of the Annual Plan include, but are not limited to:
 - Assessment services for youth, adult and dislocated workers
 - Auditors/Fiscal Consultants
 - Customer Satisfaction Survey; Evaluation Service Providers; and Certification and Performance Improvement Services
 - Business Services
 - Capacity Building and Training Academy initiatives (including Fiscal and Integrated Services Delivery training providers)
 - Consulting Services for Veterans and Persons with Disabilities
 - Consulting Services for the WDB
 - Crossroads policy symposium
 - Institutions of higher learning
 - Labor Market Analysis
 - Los Angeles Library System Strategic Partnership
 - Promotion and Outreach Services (including marketing plan activities, communications, and publication services)
 - Rapid Response enhancement and expansion, including lay-off aversion and business retention
 - Sector Intermediaries
 - Services related to the implementation of the Los Angeles YouthSource Program, including the Los Angeles Youth Opportunity Movement program

- Services to, and assessments of, vulnerable populations (e.g., returning veterans, individual with disabilities, English Language Learners, individuals experiencing homelessness, mature/older workers, ex-offenders, and non-custodial parents)
- Services related to the continuation of the Southeast Los Angeles Portal
- Summer Youth Employment Program
- Trade Adjustment Assistance Community College and Career Training
- Services provided through the WIB Innovation Fund
- WorkSource Center-JobsLA.org and JobsLA.org Mobile Application
- WorkSource System Enhancements
- WorkSource Integrated Delivery System providers
- Youth and Young Adult System Support Service providers
- YouthSource System providers

With respect to contracting authorities:

- ix. Negotiate and execute agreements and amendments to agreements with public, private, nonprofit, and/or governmental entities with funds awarded as a result of a Small Bid Purchase, RFP, or RFQ, related to activities listed in Recommendation No. 2(h), in accordance with City procurement and Charter Section 1022 requirements and the WIB-LEO Agreement, and subject to City Attorney review and approval as to form and legality;
- x. Negotiate and execute agreements and amendments to agreements, where appropriate, with entities on a sole source basis, provided that such actions are in accordance with City and WIOA procurement policies and Charter Section 1022 requirements, subject to City Attorney review and approval as to form and legality, and in compliance with the WIB-LEO Agreement, City grant regulations, and City contracting requirements. Anticipated service providers, as listed in the Service Strategies and Activities section of the Annual Plan include, but are not limited to, the following:
 - FutureWork Systems LLC for the LA Performs online performance management system
 - Geographic Solutions to maintain a local portal to the State system (CalJOBSsm) and to expand integrated workforce development services via the Internet
 - Master of Social Work students to staff WSC for services related to Veterans
 - Service providers for Hire LA's Youth and Cash for College programs
 - Los Angeles Unified School District
- xi. Negotiate and execute agreements, and amendments to agreements, subject to City Attorney approval as to form and legality, with the following service providers and organizations, in accordance with the City Procurement Policy and Charter Section 1022 (where applicable), and in compliance with the City's contracting requirements, provided EWDD submits evidence to the City Attorney of the continued viability of these procurements. Anticipated service providers and/or activities, as listed in the Service Strategies and Activities section of the Annual Plan, include, but are not limited to:
 - Audit Fees and Fiscal Training
 - Automated data collection and reporting system providers
 - Federal and State discretionary awards
 - California State University Northridge (The University Corporation) for performance evaluation, customer satisfaction, and program evaluation
 - Certification requirements for WorkSource and YouthSource Centers

- Dun and Bradstreet for services relative to layoff aversion
 - Economic Development Corporation of Los Angeles County (LAEDC) for services to businesses relative to layoff aversion
 - FutureWork Systems LLC, for access and support to the LA Performs website
 - Geographic Solutions Inc., for the maintenance of the WorkSource Center-JobsLA.org and JobsLA.org Mobile Application
 - National Emergency Grant Multi-Sector Funds for WorkSource Center operators
 - Hire LA's Youth providers
 - InnerSight LLC for the provision of assessments
 - Intensive Transitions service providers
 - Labor market information/analysis providers
 - Launchpad for IT services relative to layoff aversion
 - Leadership training, mentoring, and systems support to youth and young adults providers
 - Los Angeles Area Chamber of Commerce Foundation
 - Los Angeles Community College District
 - Employment services at the Los Angeles Public Library (Pacific Asian Consortium in Employment and Managed Career Solutions, Inc.)
 - Los Angeles Unified School District
 - Los Angeles Youth Opportunity Movement contractors
 - Manuel R. Bagaoisan, for technical support in the continued implementation of the CalJOBS data collection and reporting system
 - Pamela Williams, for WIB consulting services
 - Performance Improvement Consultant Services
 - Promotion and Outreach services
 - Rapid Response enhancement and expansion, including lay-off aversion and business retention providers
 - Services provided through the WIB Innovation Fund
 - Southeast Los Angeles Portal
 - Summer Youth Employment Program (SYEP) providers, including those funded through City, county, state, federal, and private funds
 - Veteran's WorkSource Services
 - Workforce Innovation Fund/LARCA program service providers
 - Workforce Innovation Fund/LA RISE program service providers
 - WorkSource Center One-Stop operators
 - YouthSource System contractors and related subcontractors (e.g., New Regal Health Career; Los Angeles Conservation Corps, Inc.; Los Angeles Community College District; Coalition for Responsible Community Development, Youth Policy Institute, Inc.; and El Centro de Ayuda)
 - Youth assessment service providers
 - Youth and Young Adult System Support Services providers
 - YouthSource Center One-Stop operators
- xii. Negotiate and execute agreements and amendments to agreements with bidders successful in responding to any RFP or RFQ released by EWDD, subject to the approval City Attorney review and approval as to form and legality, and in compliance with the WIB-LEO Agreement, City grant regulations, and City contracting requirements;
- xiii. Make payments of stipends and supportive services to City-operated YouthSource Center participants from WIA/WIOA Youth Formula, City of Los Angeles General Funds, County

of Los Angeles General Funds, County of Los Angeles Temporary Assistance to Needy Families (TANF) funds, and other grant funds.

With respect to non-WIOA authorities:

- xiv. Authorize the accrual and payment of program and administrative expenses, which are directly related to the operation and oversight of the Summer Youth Employment Program (SYEP) funded by City of Los Angeles General Funds (C.F. 15-0600), the County of Los Angeles General Funds, and County of Los Angeles TANF monies;
- xv. Negotiate and execute Memorandum of Understanding (MOUs) and amendments to MOUs with the City-operated YouthSource Centers to provide services to youth and present these documents for review to the WDB;
- xvi. Accept and deposit \$400,000 from Goldman Sachs for the Summer Youth Employment Program (SYEP); authorize the negotiation and execution of contracts for such services with contractors listed in the EWDD SYEP 2015 Allocation Plan amended on June 12, 2015 (EWDD and WIB joint Transmittal dated June 16, 2015, C.F. 15-0704) and in Recommendation 2 (u) below, subject to City Attorney review and approval as to form and legality, and in compliance with the City contractor requirements and applicable provisions of the WIB-LEO Agreement;
- xvii. Accept up to \$8,000,000 in funding from, and execute grant agreements and/or unilateral amendments with the Los Angeles County for the operation of the SYEP, and authorize the negotiation and execution of contracts for such services with contractors listed in the EWDD SYEP 2015 Allocation Plan amended on June 12, 2015 (EWDD and WIB joint Transmittal dated June 16, 2015, C.F. 15-0704) and in Recommendation 2(u) below, subject to City Attorney review and approval as to form and legality, and in compliance with the City contractor requirements and applicable provisions of the WIB-LEO Agreement
- xviii. Accept funds from, and execute grant agreements and/or unilateral amendments with Local Workforce Development Areas and private funding sources (including for the operation of the SYEP), and authorize the negotiation and execution of contracts for such services with the contractors approved by the WDB, Council and Mayor and listed in the EWDD SYEP 2015 Allocation Plan amended on June 12, 2015 (EWDD and WIB joint Transmittal dated June 16, 2015, C.F. 15-0704) and in Recommendation 2 (u) below;
- xix. Accept up to \$232,000 from the Los Angeles County Probation Department for the High Risk/High Need program (Youth Opportunities Movement), and execute grant agreements and/or unilateral amendments with Los Angeles County, and authorize the negotiation and execution of contracts for such services with contractors listed in the Annual Plan, subject to City Attorney review and approval as to form and legality, and in conformance with the WIB-LEO Agreement and compliance with City contracting requirements;

With respect to administrative authorities:

- xx. Negotiate and execute Workforce Development System (WDS) (One-Stop) Memorandum of Understanding (MOU) between partners of the City of Los Angeles WDS, subject to City Attorney review and approval as to form and legality and subject to WDB, Council and Mayor approval; and negotiate and execute amendments to MOUs between partners of the City of Los Angeles WDS, subject to City Attorney review and

approval as to form and legality and subject to WDB, Council and Mayor approval. Substantial changes to MOUs must be presented to the WDB, Council and Mayor;

xxi. Negotiate and execute amendments to agreements with SYEP providers for a term effective July 1, 2015 through June 30, 2016, subject to the City Attorney review and approval as to form and legality, in conformance with the WIB-LEO Agreement and in compliance with City contracting requirements. The eligible SYEP providers in the EWDD SYEP 2015 Allocation Plan approved by the WIB and amended on June 12, 2015 (EWDD and WIB joint Transmittal dated June 16, 2015, C.F. 15-0704) are:

- Archdiocesan Youth Employment Services of Catholic Charities
- All Peoples Christian Center
- Coalition for Responsible Community Development
- Community Career Development Inc.
- El Proyecto del Barrio, Inc.
- Goodwill Industries
- Holman Community Development Corp.
- Housing Authority of the City of Los Angeles
- Los Angeles Brotherhood Crusade, Inc.
- Los Angeles Conservation Corps, Inc.
- Los Angeles Harbor College
- Los Angeles LGBT Center
- Los Angeles Unified School District
- Managed Career Solutions, Inc.
- Para Los Niños
- The Regents of the University of California (UCLA)
- SALEF
- UAW-Labor Employment and Training Corporation (UAW-LETC)
- Watts Labor Community Action Committee
- Youth Opportunity Movement – Boyle Heights
- Youth Opportunity Movement – Watts
- Youth Policy Institute, Inc.

xxii. If appropriate, transfer monies up to the maximum amount of the Year 16 allotment allowed by WIOA statute or by other governmental administrative instructions between the Dislocated Worker and Adult programs. Such transfers shall be reported to the WDB on a regular basis;

xxiii. Instruct the General Manager, EWDD, or designee, to prepare a report to the WDB, Council and Mayor by October 31, 2015, that identifies all carry-over funds, including those identified herein, and any changes to the federal funding allocations, including those identified herein, and prepare recommendations, subject to WDB, Council and Mayor approval, regarding proposed use of such funds;

c. Authorize a change in designation from Workforce Investment Board (WIB) to Workforce Development Board (WDB) and from Local Workforce Investment Area (LWIA) to Local Workforce Development Area (LWDA) to occur on July 1, 2015 with the coming into effect of the WIOA;

d. Authorize the WDB to continue operating under the current WIB-LEO Agreement (C.F. 12-0602-S2) on July 1, 2015 until such time as the WIOA federal and state regulations are promulgated and a new Agreement between the WDB and LEO has been executed;

- e. Find that it is beneficial to the City, and, therefore more feasible, for EWDD to execute contracts with the service providers listed in the Annual Plan, effective June 30, 2015, to June 30, 2016, subject to City Attorney review and approval as to form and legality, and compliance with City contracting requirements;
 - f. Authorize the Controller to:
 - i. Take specific financial actions detailed in the Attachment to this report to implement the Annual Plan budget;
 - ii. Establish a new, interest-bearing fund titled Workforce Innovation and Opportunity Act Fund No. XXX to be administered by EWDD;
 - g. Authorize the General Manager, EWDD, or designee to:
 - i. Transfer expenditures of up to \$3,500,000 incurred in Fiscal Year 2014-15 and temporarily recorded within the Workforce Investment Act (WIA) Fund No. 44A to the newly established WIOA Fund No. XXX;
 - iii. Transfer any remaining unexpended WIOA cash temporarily deposited into the WIA Fund No. 44A to the newly established WIOA Fund No. XXX;
 - iv. Re-program \$150,072 in Hire LA Youth's savings from PY 2014-15 for EWDD costs related to the program in PY 2015-16, and prepare Controller instructions and any technical adjustments that are necessary to implement this action, subject to the approval of the City Administrative Officer (CAO), and authorize the Controller to implement these instructions;
 - v. Prepare additional Controller instructions and any necessary technical adjustments that are consistent with Mayor and Council action required to implement the Annual Plan, subject to the approval of the City Administrative Officer (CAO), and authorize the Controller to implement the instructions.
2. That the Council instruct the Office of the Chief Legislative Analyst to negotiate a new Agreement between the Workforce Development Board (WDB) and the Local Elected Officials (LEO) (WDB-LEO Agreement) with the assistance of the Mayor, the City of Los Angeles WDB, the City Attorney, the City Administrative Officer and EWDD after new regulations for the WIOA are promulgated by the federal government.

FISCAL IMPACT STATEMENT

There is no additional impact on the General Fund. The recommendations in this report involve the allocation of approximately \$64 million toward the Workforce Development Board Program Year 2015-16 (Fiscal Year 2015-16) Annual Plan from various federal and state grants, and local sources, including the Workforce Innovation and Opportunity Act, Los Angeles County Grants and other formula and competitive grant sources. The recommendations comply with the City Financial Policies in that federal, state and local grant sources and the 2015-16 Adopted Budget support budgeted costs in the Annual Plan.

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Attachment