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## Allowable Cost Policy

EFFECTIVE DATE: July 1, 2019

### POLICY STATEMENT

This policy provides guidance on general cost principles and allowable costs under the Workforce Innovation and Opportunity Act (WIOA) and the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Federal Acquisition Regulation Part 31.2, and other applicable Federal, State and Local awards regulations.

### POLICY AND PROCEDURES

The following matrix lists the various cost items referenced in Title 2 CFR Sections 200.420 through 200.475 (consideration for selected items of cost). The columns in the matrix provide information whether a cost is allowable (A), allowable with prior approval (AP), allowable with condition (AC), unallowable (U), or not specified in the Uniform Guidance (NS); the specific CFR Sections,; and a comments section.

Sub-recipients may use the matrix as an initial tool, rather than a final authority for making a determination of whether or not a cost would be considered allowable. When determining whether the cost of an item is allowable, sub-recipients must also refer to the applicable sections of the Uniform Guidance, and other federal, state and local grant regulations.

If a cost item is denoted with two or more legend keys, sub-recipients should look further into the various information sources as they may provide the additional clarity that is needed. The "NS" legend key means that information may not be readily available. The "AP" legend key means that prior written approval will be required from the City.

In general, to be an allowable charge, a cost must meet the following criteria:

- Be necessary and reasonable for the proper and efficient program performance and administration of the grant.
- Be allocable to the grant. A grantee may charge costs to the grant if those costs are clearly identifiable as benefitting the grant. In order to be allocable, a cost must be treated consistently with like costs and incurred specifically for the program being operated.
- Conform to any limitations or exclusions set forth in the award.
- Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-federal entity.
- Be accorded consistent treatment.
- Be determined in accordance with generally accepted accounting principles.

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- Be adequately documented.
- Not be used to meet cost sharing or matching requirements of any other federally-financed program (without prior approval from the City).

When reviewing the matrix please be guided by the following legend:

<b>Legend Key</b>	<b>Legend Key Definition</b>
A	Allowable
AP	Allowable with Prior Approval
AC	Allowable with Conditions
U	Unallowable
NS	Not Specified in the Uniform Guidance

	<b>Cost Item</b>	<b>Allowability</b>	<b>Uniform Guidance Section</b>	<b>Comments</b>
1	Advertising and public relations	A/U	<a href="#">200.421</a>	1) Unallowable if the costs are to promote other activities of the entity. 2) Costs for promotional items & memorabilia are unallowable.
2	Advisory councils	AC/U	<a href="#">200.422</a>	Unallowable unless authorized by statute, the federal awarding agency or as an indirect cost.
3	Alcoholic beverages	U	<a href="#">200.423</a>	
4	Alumni/ae activities	U	<a href="#">200.424</a>	
5	Audit services	AC/U	<a href="#">200.425</a>	Any cost of auditing a non-federal entity that is exempted (Federal expenditures less than \$750,000) from having an audit conducted under the Single Audit Act is unallowable.
6	Bad debts	U	<a href="#">200.426</a>	
7	Bonding costs	A	<a href="#">200.427</a>	
8	Collection of improper payments	A	<a href="#">200.428</a>	
9	Commencement and convocation costs	AC/U	<a href="#">200.429</a>	Unallowable except as indirect costs.
10	Compensation – personal services	A/U	<a href="#">200.430</a>	Incentive compensation is allowable if it is based on cost reduction, or efficient performance, suggestion awards, safety awards, etc., is determined to be reasonable and entered into in good faith between the non-federal entity and the employees before the services were rendered. Per City guidelines, bonuses are not allowable.
11	Compensation – fringe benefits	A /U	<a href="#">200.431</a>	Allowable provided that the benefits are reasonable and are required by law, non-federal entity-employee agreement, or an established policy of the non-federal entity.
12	Conferences	A	<a href="#">200.432</a>	Under DOL guidelines, food is not allowable.
13	Contingency provisions	AC/U	<a href="#">200.433</a>	Allowable under strict conditions. Any type of “reserve” is unallowable.
14	Contributions and donations	U	<a href="#">200.434</a>	
15	Defense and prosecution of criminal and civil proceedings, claims, appeals,	AC/U	<a href="#">200.435</a>	Allowable if a specific term or condition of the federal award or a specific written direction of an authorized official of the federal awarding agency.

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	<b>Cost Item</b>	<b>Allowability</b>	<b>Uniform Guidance Section</b>	<b>Comments</b>
	and patent infringement			
16	Depreciation	AC	<a href="#">200.436</a>	Must be capitalized based on GAAP and no depreciation may be allowed on any assets that have outlived their depreciable lives. Where the depreciation method is introduced to replace the use allowance method, it must be computed as if the asset had been depreciated over its entire life. Also, the acquisition costs must be reduced by any portion of the cost of buildings and equipment borne by or donated by the Federal Government.
17	Employee health and welfare costs	A	<a href="#">200.437</a>	Must be included in the organization's written policy.
18	Entertainment costs	U/AP	<a href="#">200.438</a>	Allowable where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the federal award or with prior written approval of the Federal awarding agency.
19	Equipment and other capital expenditures	AP/U	<a href="#">200.439</a>	Allowable with prior written approval of the federal awarding agency or pass-through entity.
20	Exchange rates	AP	<a href="#">200.440</a>	
21	Fines, penalties, damages and other settlements	U/AP	<a href="#">200.441</a>	Unallowable except when incurred as a result for compliance with specific provisions of the federal award.
22	Food Cost	U	City Policy	Cost of food for any purpose cannot be charged to the grant.
23	Fundraising and investment management costs	U/AP/A	<a href="#">200.442</a>	Allowable if fund raising costs are for the purposes of meeting the Federal program objectives with prior written approval from the Federal awarding agency.
24	Gains and losses on disposition of depreciable assets	AC	<a href="#">200.443</a>	Must be included in the year in which they occur as credits or charges to the assets.
25	General cost of government	U	<a href="#">200.444</a>	
26	Goods or services for personal use	U/AP	<a href="#">200.445</a>	1) Unallowable regardless of whether the cost is reported as taxable income to the employees. 2) Costs of housing, housing allowances and personal living expenses are only allowable as direct costs and must be approved in advance by the federal awarding agency.
27	Idle facilities and idle capacity	AC/U	<a href="#">200.446</a>	Idle Facilities: Unallowable except to the extent that: 1) They are necessary to meet fluctuation in workload requirements; 2) Although not necessary to meet fluctuations in workload, they were necessary when acquired and are now idle because of unforeseen causes; 3) Allowable for a reasonable period, ordinarily not to exceed one year, depending on the initiative taken to use, lease, or dispose of such facilities. Idle Capacity: Allowable if reasonably anticipated to be necessary to carry out the purpose of the Federal award or was originally reasonable and is not subject to reduction or elimination by use on other Federal awards.
28	Insurance and indemnification	AC/U	<a href="#">200.447</a>	Allowable: a) Costs of insurance required or approved and maintained, pursuant to the federal award; b) Actual losses incurred under nominal deductible insurance coverage if in keeping with sound management practice; c) Minor losses not covered by insurance which occur in the

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	<b>Cost Item</b>	<b>Allowability</b>	<b>Uniform Guidance Section</b>	<b>Comments</b>
				ordinary course of operations. Allowable but subject to limitations: a) Costs of insurance in connection with the general conduct of activities; b) Contributions to a reserve for certain self-insurance programs including workers' compensation, unemployment compensation, and severance pay. Unallowable: Actual losses which could have been covered by permissible insurance.
29	Intellectual property	A/U	<a href="#">200.448</a>	Costs of patents, copyrights and royalties are allowable if required by the Federal Government and by the federal award.
30	Interest	AC/U	<a href="#">200.449</a>	1) Interest on borrowed capital, temporary use of endowment funds, or the use of the non-Federal entity's own funds, however represented, are unallowable. 2) Financing costs (including interest) to acquire, construct, or replace capital assets are allowable but subject to specific conditions.
31	Lobbying	U	<a href="#">200.450</a>	
32	Losses on other awards or contracts	U	<a href="#">200.451</a>	
33	Maintenance and repair costs	A	<a href="#">200.452</a>	Allowable if necessary to keep property in an efficient operational condition and: a) Does not add to the permanent value of the property; and/or b) Does not prolong the property's intended life.
34	Material and supplies costs, including costs of computing devices	A	<a href="#">200.453</a>	City requires prior approval for computers and other electronic equipment
35	Memberships, subscriptions, and professional activity costs	A/U	<a href="#">200.454</a>	Allowable: a) Costs of the non-federal entity's membership in business, technical, and professional organizations. b) Costs of the non-federal entity's subscriptions to business, professional, and technical periodicals. c) Costs of membership in any civic or community organization are allowable with prior approval by the federal awarding agency or pass-through entity. Unallowable: a) Costs of membership in any country club or social or dining club or organization. b) Costs of membership in organizations whose primary purpose is lobbying.
36	Organization costs	U/AP	<a href="#">200.455</a>	Unallowable except with prior approval of the federal awarding agency.
37	Participant support costs	AP	<a href="#">200.456</a>	Allowable with prior approval of the federal awarding agency. Participant support costs as defined in the annual plan are allowable.
38	Plant and security costs	A	<a href="#">200.457</a>	
39	Pre-award costs	AP	<a href="#">200.458</a>	Allowable if: a) Incurred directly pursuant to the negotiation and in anticipation of the Federal award where such costs are necessary for efficient and timely performance of the scope of work. b) They would have been allowable if incurred after the effective date; and c) Only with the written approval of the Federal awarding agency. d) not allowable per City guidelines
40	Professional services costs	A	<a href="#">200.459</a>	To determine allowability, consider the following factors; (1) The nature and scope of the service rendered in relation to the service required. 2) The necessity considering the non-Federal entity's

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	<b>Cost Item</b>	<b>Allowability</b>	<b>Uniform Guidance Section</b>	<b>Comments</b>
				<p>capability in the particular area.                      (3) The past pattern of such costs, particularly in the years prior to federal awards.                      (4) The impact of federal awards on the non-federal entity's business.                      (5) Whether the proportion of Federal work to the non-federal entity's total business is such as to influence the non-federal entity in favor of incurring the cost.                      (6) Whether the service can be performed more economically by direct employment rather than contracting.                      (7) The qualifications of the individual or concern rendering the service and the customary fees charged, especially on non-federally funded activities.                      (8) Adequacy of the contractual agreement for the service.</p> <p>Retainer fees must be supported by evidence of bona fide services available or rendered.                      All professional services costs must have prior written approval from the City's program monitor.</p>
41	Proposal costs	A	<a href="#">200.460</a>	<p>Costs of preparing bids, proposals, or applications on potential Federal and non-Federal awards or projects, including the development of data necessary to support the non-federal entity's bids or proposals.</p> <p>Should be treated as indirect costs and allocated currently to all activities of the non-federal entity.</p>
42	Publication and printing costs	A	<a href="#">200.461</a>	
43	Rearrangement and reconversion costs	A/AP	<a href="#">200.462</a>	<p>(a) Costs incurred for ordinary and normal rearrangement and alteration of facilities are allowable as indirect costs.                      (b) Costs incurred specifically for a Federal award are allowable as a direct cost with the prior approval of the federal awarding agency or pass-through entity.</p>
44	Recruiting costs	A/U	<a href="#">200.463</a>	<p>Allowable to the extent that such costs are incurred pursuant to the non-federal entity's standard recruitment program and with prior approval from the City's program monitor.                      Unallowable:                      a) Salaries, fringe benefits and allowances incurred to attract professional personnel that do not meet the test of reasonableness and/or do not conform to the non-federal entity's established hiring practices.                      b) Relocation costs incurred incident to recruitment of a new employee have been funded in whole or in part to a federal award, and the newly hired employee resigns for reasons within the employee's control within 12 months after hire.</p>
45	Relocations costs of employees	AC/U	<a href="#">200.464</a>	<p>Allowable with prior approval from the City's program monitor and:                      1) The move is for the benefit of the employer.                      2) Reimbursement to the employee is in accordance with an established written policy consistently followed by the employer.                      (3) The reimbursement does not exceed the employee's actual (or reasonably estimated) expenses.</p> <p>Limitations do exist.</p>
46	Rental costs of real property and equipment	AC/U	<a href="#">200.465</a>	<p>Allowable to the extent that the rates are reasonable:                      a) Rental arrangements should be reviewed periodically to determine if circumstances have changed and other options are available;                      b) Rental costs under "sale and lease back" arrangements are allowable only up to the amount that would be allowed had the non-federal entity continued to own the property.                      Unallowable: Rental of any property owned by any individuals or entities affiliated with the non-federal entity, to include commercial or residential real estate, for purposes such as the home office workspace.</p>

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	<b>Cost Item</b>	<b>Allowability</b>	<b>Uniform Guidance Section</b>	<b>Comments</b>
47	Scholarships and student aid costs	AC	<a href="#">200.466</a>	1) Costs of scholarships, fellowships, and other programs of student aid at IHEs are allowable only when: a) The purpose of the federal award is to provide training to selected participants; and b) Approved by the federal awarding agency. 2) Tuition remission and other forms of compensation paid as, or in lieu of, wages to students performing necessary work are allowable provided that: a) The individual is conducting activities necessary to the Federal award; b) Provided in accordance with established policy of the IHE; and consistently provided in a like manner to students in return for similar activities conducted under Federal awards as well as other activities; and c) Payments are reasonable compensation for the work performed and are conditioned explicitly upon the performance of necessary work. d) It is the IHE's practice to similarly compensate students under federal awards as well as other activities.
48	Selling and marketing	U/AP	<a href="#">200.467</a>	Costs of selling and marketing any products or services of the non-Federal entity are unallowable, except: a) As direct costs, with prior approval by the federal awarding agency; and b) When necessary for the performance of the federal award.
49	Specialized service facilities	AC	<a href="#">200.468</a>	Costs of services provided by highly complex or specialized facilities operated by the non-federal entity, such as computing facilities, wind tunnels, and reactors are allowable with conditions.
50	Student activity costs	U/AP	<a href="#">200.469</a>	Costs incurred for intramural activities, student publications, student clubs, and other student activities, are unallowable, unless specifically provided for in the federal award. DOL exception: Unallowable unless the activities meet a program requirement and have prior written approval from the federal awarding agency.
51	Taxes	AC	<a href="#">200.470</a>	Taxes that a governmental unit is legally required to pay are allowable.
52	Termination costs	AC/U	<a href="#">200.471</a>	Reasonable costs that would not have arisen had the Federal award not been terminated.
53	Training and education costs	A	<a href="#">200.472</a>	The cost of training and education provided for employee development are allowable.
54	Transportation costs	A	<a href="#">200.473</a>	
55	Travel costs	AC	<a href="#">200.474</a>	Allowable with the prior written approval of the Federal awarding agency or pass-through entity when they are specifically related to the Federal award.
56	Trustees	A	<a href="#">200.475</a>	Travel and subsistence costs of trustees are allowable.



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**Prior Written Approval**

The Uniform Guidance lists the following cost items that are allowable only with prior written approval.

<b>Circumstance</b>	<b>Section</b>
Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts	<u>§200.201</u> , paragraph (b)(5)
Cost sharing or matching	<u>§200.306</u>
Use of program income including interests earned	<u>§200.307</u> City contract section 404
Revision of budget and program plans	<u>§200.308</u>
Real property	<u>§200.311</u>
Equipment	<u>§200.313</u>
Fixed amount sub awards	<u>§200.332</u>
Direct costs	<u>§200.413</u> , paragraph (c)
Compensation – personal services	<u>§200.430</u> , paragraph (h)
Compensation – fringe benefits	<u>§200.431</u>
Entertainment costs	<u>§200.438</u> For non-DOL programs, unallowable for DOL programs
Equipment and other capital expenditures	<u>§200.439</u>
Exchange rates	<u>§200.440</u>
Fines, penalties, damages and other settlements	<u>§200.441</u>
Fund raising and investment management costs	<u>§200.442</u>
Goods or services for personal use	<u>§200.445</u>
Insurance and indemnification	<u>§200.447</u>
Memberships, subscriptions, and professional activity costs	<u>§200.454</u> , paragraph (c)
Organization costs	<u>§200.455</u>
Participant support costs	<u>§200.456</u>
Pre-award costs	<u>§200.458</u>
Rearrangement and reconversion costs	<u>§200.462</u>
Selling and marketing costs	<u>§200.467</u>
Taxes (including Value Added Tax)	<u>§200.470</u>
Travel costs	<u>§200.474</u>

Sub-recipients should thoroughly review the Uniform Guidance sections referenced above, all applicable Federal, State, City and Local guidelines to determine when prior written approval must be obtained from the City’s program monitor, and assess if their specific circumstance(s) require prior approval from the City. As indicated in DOL Exception Section 2900.407, inclusion of item(s) in the statement of work or budget when awarded **does not** constitute prior approval; sub-recipients must still follow all applicable policies and procedures outlined in this directive.

Property procurements with a unit acquisition cost of \$5,000 or more must have prior written approval. A non-property related purchase or circumstance that fits into one of the above referenced categories may still require prior written approval, regardless of the dollar amount.

**Prior Written Approval Procedures**

Sub-recipients must complete and submit the City's Prior Written Approval Request Form (Attachment 2) to their assigned program monitor along with all necessary supporting documentation, to their assigned Program Monitor no less than 30 days before the requested action is to occur.

The EWDD will consider the following factors in its review of the requests:

- Is this purchase necessary and reasonable?
- Have the best products been selected?
- What other costs are associated with the purchase?
- If applicable, what procurement method will be used?
- If applicable, was a lease option considered in lieu of the purchase?

**REFERENCES**

- Title 2 Code of Federal Regulations (CFR) Part 200 and 2900;
- WIOA (Public Law 113-128) Sections 184(a)(3), 134(4)-(d), and 129;
- Workforce Services Directive 16-16;
- Federal Acquisition Regulation Part 31.2 Contracts with Commercial Organizations;
- US DOL One-Stop Comprehensive Financial Management Technical Assistance Guide (TAG), Part II Chapters 11-13, Cost Principles; Chapter 11-14 Allowable Costs;
- City of Los Angeles Contract, Section 403, Allowable and Unallowable Costs

(Adopted PY 18-19)

## **Alternative Training Programs Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

In order to open sector and other training to a wider and more diverse participant base, the Workforce Development Board (WDB) adopted an alternative training policy for special populations with multiple barriers to employment, to provide Vocational English as a Second Language (VESL), academic preparation, transitional work, and bridge programs for participants unable to qualify initially for Individual Training Accounts (ITA) and sector-based training.

### **BACKGROUND**

With the exception of certain types of customized, incumbent, and On-the-Job training; transitional jobs; and WDB contracts with institutions of higher learning; only training providers through their training programs listed on the ETPL are eligible to receive WIOA funds to train adults and dislocated workers.

However, in order to provide special populations with multiple barriers to employment maximum opportunities to benefit from WIOA programs, alternatives to traditional ITA training programs may be employed. For example, short-term pre-vocational services, including development of learning and communication skills, may be provided as “Career Services” and do not require the establishment of an ITA.

### **PROCEDURES**

In lieu of traditional ITA training, contracts for training may be authorized when:

- Such services are on-the-job training provided by an employer, or customized training.
- When the WDB determines that it would be most appropriate to contract with an institution of higher education or other provider of training services in order to facilitate the training of multiple individuals in in-demand industry sectors or occupations, provided that the contract does not limit customer choice.
- The Local WDB (LWDB) determines that there are an insufficient number of eligible providers of training services in the local area involved to accomplish the purposes of a system of individual training accounts.
  - The Local Plan must describe the process to be used in selecting the providers under a contract for services.
  - This process must include a public comment period for interested providers of at least 30 days.
- The LWDB determines that there is a training services program of demonstrated effectiveness offered in the local area by a community-based organization or

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another private organization to serve targeted low-income special participant populations that face barriers to employment. Special participant populations that face barriers to employment include:

- Displaced homemakers;
- Low –income individuals;
- Native Americans;
- Individuals with disabilities;
- Older individuals, i.e.those aged 55 or older;
- Ex-offenders;
- Homeless individuals;
- Youth who are in or have aged out of of the foster care system;
- Individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers;
- Eligible migrant and seasonal farmworkers;
- Individuals within two years of exhausting lifetime eligibility under TANF; or
- Other groups determined by the Governor to have barriers to employment.

The following criteria will be used to determine demonstrated effectiveness of training service programs:

- Financial stability of the organization;
- Demonstrated performance in the delivery of services to individuals with barriers to employment through such means as program completion rate; attainment of skills, certificates or degrees the program is designed to provide; placement after training in unsubsidized employment; and retention in employment;
- How the specific program relates to the workforce investment needs identified in the local plan; and
- How the use of the program supports WDB priorities.

Those training providers operating under the ITA exceptions still must qualify as eligible providers. To qualify:

- Appropriate service providers may be selected as long as the Local Workforce Investment Area takes into consideration the specific geographic and demographic factors where the program operates and the characteristics of the special population being served.
- The LWDB must require performance data for all WIOA Title I funded participants participating in any program of contracted training services.

**America's Job Center of California Branding Policy**

**EFFECTIVE DATE: July 1, 2018**

**POLICY STATEMENT**

All Workforce Innovation and Opportunity Act (WIOA) funded, WorkSource and YouthSource operator contractors must adhere to the Workforce Development Board's (WDB) branding policy and federal and State of California Workforce Development Board requirements regarding co-branding with the U.S. Department of Labor's (USDOL) American Jobs Center brand.

**RATIONALE**

The WDB's branding policy ensures a consistent image and public service identity to increase the public's awareness of the City's WorkSource and YouthSource networks. The policy also ensures the consistency and integrity of the WorkSource and YouthSource brands as they appear to the public and compliance with Federal and State of California Workforce Development Board's co-branding requirements.

**PROCEDURES**

All Workforce Innovation and Opportunity Act (WIOA) funded WorkSource and YouthSource operator contractors must adhere to the Workforce Development Board's (WDB) branding policy covering the WorkSource and YouthSource brands and must co-brand with the U.S. Department of Labor's (USDOL) American Job Center brand.

All Adult/Dislocated Worker operator contractors shall adhere to the guidelines and protocols of implementing the WorkSource Center brand, as directed through their contractual obligations and any related directive(s).

All Youth operator contractors shall adhere to the guidelines and protocols of implementing the YouthSource Center brand, as directed through their contractual obligations and any related directive(s).

More specifically, all Adult/Dislocated Worker and Youth contractors shall adhere to the co-branding of "A proud partner of America's Job Center of California<sup>SM</sup> network" as directed by the USDOL Training and Employment Guidance Letter TEGE 36-11 issued on June 14, 2012 and the State of California Employment Development Department's Workforce Services Information Notice WSIN12-43 released on March 15, 2013.

All operator contractors shall ensure that logos, taglines and graphics of all collateral materials, websites, and signage utilized for WIOA programs conform to the Branding Toolkit and Style Guide, issued by the California Workforce Investment Board effective July 1, 2013.

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In addition, for any visual materials created, (marketing collateral materials, training and recruitment flyers, articles, press/media releases, etc.), WorkSource and YouthSource operators must include the appropriate branding logo (WorkSource or YouthSource) and the City, the WDB, and the Economic and Workforce Development Department logos.

At all times (including all references, marketing collateral materials, training and recruitment flyers, articles, press/media releases, social media efforts, and external and internal signage, etc.), branding of the WorkSource and YouthSource Centers shall require naming which states the Center's designated geographical name first (required), with the operator's organization as secondary (optional). Examples: "Northwest Los Angeles WorkSource Center, operated by XYZ Contractor, Inc." or "Central Mid Los Angeles YouthSource Center, operated by ABC Youth Agency, Inc."

To the extent possible and feasible, WorkSource and YouthSource contractors are encouraged to utilize the brochure/flyer templates provided by the Economic and Workforce Development Department.

In addition, all contractors must adhere to the EEO requirements in terms of accessibility language on all websites, collateral materials and media outreach.

**REFERENCES**

USDOL Training and Employment Guidance Letter TEGl 36-11 (Issued June 14, 2012)

State of California Employment Development Department Workforce Services Information Notice WSIN12-43 (Released March 15, 2013)

Branding Toolkit and Style Guide, California Workforce Investment Board (Effective July 1, 2013)

(Adopted PY 13-14)

(Revised PY16-17)

**Assignment of WorkSource and YouthSource Center  
Agreements Policy**

EFFECTIVE DATE: July 1, 2019

**POLICY STATEMENT**

Contractors must immediately inform the City of any facts that may materially affect their contract performance. Contractors shall not transfer their agreement to another entity without prior City approval. If there is a need to replace a contractor, specific procedures will be followed as described herein.

**PROCEDURES**

Contractors must immediately provide the City written notice of any facts that may materially affect the performance of their agreements or impact the City's decision to continue an agreement with the Contractor. Among the items to be disclosed are negotiations leading to the sale, merger or acquisition of the Contractor. Contractor may not assign, delegate, or transfer their agreements, nor assign or transfer any right, interest or obligation in their agreements, including the right to payment, without the prior written consent of the City.

When any City Workforce Innovation and Opportunity Act (WIOA) funded WorkSource or YouthSource Center operator proposes to assign their agreement to another organization due to sale, acquisition or merger, the Department shall submit to the Workforce Development Board (WDB) a recommendation as to whether or not to accept said assignment.

If the Department and/or WDB do not approve the contractor's request to assign their agreement or when any City WIOA WorkSource or YouthSource Center operator:

- Proposes to assign their agreement to another organization for reasons not stated above,
- Fails to meet certification requirements, or
- Proposes termination of their agreement for any other reason,

The Department shall submit to the WDB a recommendation whether to continue WorkSource or YouthSource Center operations at the specified location.

If the WDB agrees to continue operations at the specified location, the selection of the replacement operator shall be made based on the established Replacement Operator Policy.

The Department shall, at all times, maintain a list of qualified replacement operators. Proposers to the WorkSource and YouthSource Request for Proposals (RFP) who attain a passing score shall be placed on the qualified operator replacement list for that program. The list shall be established for the same term as the underlying RFP.

**Contract Execution Policy**

**EFFECTIVE DATE: July 1, 2019**

**POLICY STATEMENT**

This policy provides guidelines for the execution of Workforce Development System (WDS) contracts.

**BACKGROUND**

The Workforce Development Board (WDB), along with the City Council and the Mayor develop the WDB Annual Plan. The Annual Plan outlines how the City will deliver services and meet workforce development needs through the WDS. The WDS requires over 200 contracts and amendments be executed annually.

**PROCEDURES**

The WDS will execute contracts within 45 working days of final approval from the Workforce Development Board (WDB), City Council, and/or Mayor, whichever occurs latest. The WDS will track the contract execution cycle, and report to the WDB any contracts that do not meet this standard.

Contractors shall submit to the Economic and Workforce Development Department (EWDD) all documentation required for contract execution, including signature pages, within 10 working days following issuance of their final contract package. Contractors must provide timely notification of their inability to meet any deadlines to EWDD's Contract Unit and their assigned program analyst.

Adopted (PY 17-18)

(Revised PY 18-19)



**Criminal Record Restrictions and Impact Based on Race and Nationality Policy**

**EFFECTIVE DATE: July 1, 2019**

**POLICY**

This policy provides guidance for employers and agencies within the City of Los Angeles Workforce Development System regarding services to clients with criminal histories.

**BACKGROUND**

In recent decades, the number of Americans who have had contact with the criminal justice system has drastically increased. In California, it is estimated that about one in four adults now has a criminal history record which often consists of an arrest that did not lead to conviction, a conviction without incarceration, or a conviction for a non-violent crime. Because of this increase, racial and ethnic disparities have arisen, which may be reflected in incarceration rates, as well as in other criminal history records. Federal and state programs have devoted significant resources to reducing barriers to employment of people with criminal records in an effort to also increase public safety.

**POLICY AND PROCEDURES**

Employers and agencies within the City of Los Angeles Workforce Development System should be aware of federal antidiscrimination laws if they choose to rely on job applicants' criminal history records to help assess potential risk to employees, customers, and business assets. Hiring policies and practices that exclude individuals with criminal records may conflict with laws which prohibit intentional discrimination on the basis of race, national origin, or other protected groups, and policies or practices that have a disparate impact on these protected groups and cannot be justified as job related and consistent with business necessity.

Policies that exclude individuals from employment or other services based on the existence of a criminal history record, and do not take into account the age and nature of an offense, or the relationship of the record to the specific job duties, are likely to unjustifiably restrict the employment opportunities of individuals with conviction histories and, due to racial and ethnic disparities in the criminal justice system, are likely to violate federal antidiscrimination law.

Accordingly, employers and agencies should carefully consider their legal obligations before adopting such policies. Covered entities may also wish to direct employers to the Equal Employment Opportunity Commission (EEOC) website for Reentry Myth Buster [http://www.eeoc.gov/eeoc/interagency/reentry\\_council.cfm](http://www.eeoc.gov/eeoc/interagency/reentry_council.cfm) which clarifies that an arrest or conviction record will not automatically bar individuals from employment.

**Adopted Policies**

**DRAFT**

The nondiscrimination provisions that apply to the federally-assisted workforce system prohibit:

- Disparate treatment - intentionally treating members of protected groups differently based on their protected status.
- Disparate impact - the use of policies or practices that are neutral on their face, but have a disproportionate impact on members of protected groups, and are not job related and consistent with business necessity.

Title VII of the Civil Rights Act of 1964, as amended applies to employers with 15 or more employees, and prohibits employment discrimination based on race, color, religion, sex, or national origin. Title VII also contains provisions that specifically address employment agency activities. Entities within the public workforce system like One-Stop Career Centers may be regarded as "employment agencies" under the law and are not permitted to:

- Print, publish, or cause to be printed, any job announcement that discriminates based on race, color, religion, sex, or national origin unless there is a bona fide occupational qualification (BFOQ) for a preference based on religion, sex, or national origin. For example, for airline pilots, mandatory retirement age requirements were allowed because safety was the primary concern and airlines could show that older pilots were significantly less safe once they reached a certain age.
- Refuse to refer an individual for employment or otherwise to discriminate against any individual based on race, color, religion, sex, or national origin.
- The EEOC, the federal agency that administers and enforces Title VII, has issued guidance on the use of arrest and conviction records in employment decisions. Based on this guidance:

An employer's neutral policy (e.g., excluding applicants from employment based on certain criminal conduct) may disproportionately impact some individuals protected.

**Local Laws –**

The City of Los Angeles adopted an ordinance restricting employers from asking a job applicant about his or her criminal history during the application process.

Under the ordinance, private employers with at least 10 employees will be barred from inquiring about a job applicant's criminal history until a conditional offer of employment has been made.

The "Los Angeles Fair Chance Initiative for Hiring (Ban the Box)," was signed by Mayor Eric Garcetti on Dec. 9, 2017, and went into effect on Jan. 22, 2017.

The City of Los Angeles Workforce Development Board, in conjunction with the Mayor's office, helped to fund the California Employers' Fair Chance Hiring Toolkit designed to help employers hire ex-offenders. A copy of this can be found at <http://www.rootandrebond.org/ca-fair-chance-toolkit/>.

(Adopted PY 14-15)

(Revised PY 18-19)

## **Customized Training Policy**

**EFFECTIVE DATE:** July 1, 2018

### **BACKGROUND**

The Workforce Innovation and Opportunity Act defines Customized Training as training:

- That is designed to meet the special requirements of an employer (including a group of employers);
- That is conducted with a commitment by the employer to employ an individual upon successful completion of the training; and
- For which the employer pays for a significant cost of the training, as determined by the Local Board in accordance with the factors identified in WIOA sec. 3(14).

### **POLICY**

Certified WorkSource Center contractors or Sector Intermediary Organizations may submit Customized Training proposals. Evaluation of Customized Training proposals will be determined by the Economic and Workforce Development Department.

To be considered for customized training, proposals should include the following:

- Identify employer or industry group and obtain a written commitment by the participating employer(s) to hire a minimum of 80 percent of those participants that successfully complete the training.
- Include Vocational English as a Second Language (VESL) component, when appropriate.
- Include both a classroom and worksite training component (classroom training does not have to appear on the State ETPL).
- Include subsidies and/or needs based payments for time spent in classroom training.
- Be in a demand occupation and within a target training sector defined and/or allowed by the Workforce Development Board (WDB), and identify a career ladder.
- Result in a wage at placement that meets or exceeds the City's Self-Sufficiency Standard and which includes medical benefits.
- Result in the attainment of an industry recognized certificate.
- Identify Employment (2nd & 4th quarters) Rates and Median Earnings (2nd quarter after exit) that will assist the City in meeting its Department of Labor performance standards.

**Adopted Policies**

**DRAFT**

- Include a detailed line-item budget that identifies a minimum 50 percent cash match or in-kind contribution by the participating employer(s) or industry group. Employer contributions of less than 50 percent are subject to prior approval. In considering such approval, the Department may consider:
  - The size of the employer;
  - The number of training participants;
  - Wage and benefit levels (at present and anticipated upon completion of training);
  - Relation of the training to the competitiveness of the trainee; and
  - Other employer-provided training and advancement opportunities.
- Demonstrate a regional approach by detailing the participation of other WorkSource Centers and their job seekers.

Customized Training of an eligible employed individual may be provided for an employer or group of employers when:

- The employee is not earning a self-sufficient wage as stated in the Annual Plan Self-Sufficiency Policy or wages comparable to or higher than wages from previous employment; and
- The Customized Training relates to the introduction of new technologies or new production or service procedures, upgrading to new jobs that require additional skills, workplace literacy, other appropriate purposes identified by the WDB.

(Adopted PY 11-12)

(Revised 17-18)

**Definition of Demand Occupations Policy**

**EFFECTIVE DATE: July 1, 2019**

**BACKGROUND**

Individual Training Account (ITA) training services made available to eligible adults and dislocated workers must be directly linked to the employment opportunities either in the local area or in another area to which the individual is willing to relocate. Local Workforce Development Areas (LWDA) therefore need to identify “demand occupations.” The demand occupations are subsequently used in determining programs of training services that lead to these employment opportunities. This policy provides guidance to local board staff, America’s Job Center/WorkSource Provider staff and One-Stop Partners in selecting appropriate training programs for customers of the WIOA system.

**POLICY**

The term “in-demand industry sector” means: an industry sector that has a substantial current or potential impact as a result of the high number of job openings or fastest growing occupations within that sector in a given region. These types of jobs lead to economic self-sufficiency and provide increased opportunities for advancement in the state, regional, or local economy, as appropriate; fuel the growth and the stability of feeder and other supporting businesses, as well as the growth of other industry sectors; or an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector, so as to have a significant impact on the state, regional, or local economy.

The determination of whether an industry sector or occupation is in-demand shall be made by the state or local board, as appropriate, using state and regional business and labor market projections, including the use of Labor Market Information (LMI). This information is available online at: [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov).

The following are additional sources defining Demand Occupations:

- Los Angeles Economic Development Corporation’s (LAEDC) economic research at [www.laedc.org](http://www.laedc.org) <http://www.laedc.org/>;
- The U.S. Bureau of Labor Statistics website at [www.bls.gov](http://www.bls.gov) has available information on occupations, annual and hourly wages, career tracks, etc.;
- The WDB may define targeted sectors as demand sectors;
- Other additional labor market resources may be used as long as the following information is presented: a) justification of any determination that a particular job is in a demand occupation; b) documentation of any steps taken in reaching that determination; and c) documentation in the file of the particular customer for whom such determination is made.

## **Definition of Quality Jobs Policy**

**EFFECTIVE DATE: JULY 1, 2018**

### **POLICY STATEMENT**

This policy defines what constitutes a good job and aims to ensure that the distribution of Workforce Innovation and Opportunity Act (WIOA) resources are directed and informed on the basis of job quality.

### **BACKGROUND**

The City of Los Angeles Workforce Development Board (WDB) is committed to developing collaborative strategies that embrace the principles of a high-road economy – one that competes on the basis of innovation, quality, and high skills rather than low wages, contingent employment, and low or no benefits.

The American Sustainable Business Council describes high-road employers in the following manner, “High Road Employers see their employees, the communities within which they operate, and the products and services they provide as equally critical ingredients to their financial success. These companies hold a long-term perspective and view the workplace as a vehicle to create significant business and social impact. They reject low-road business models that exploit employees and disregard the environment. High Road Employers know that their businesses have a far better chance to thrive when they operate responsibly and their employees are compensated fairly for meaningful work.”

It is critical that the WDB prioritizes the delivery of its workforce services to high-road employers who offer good jobs. Good jobs are defined as those that include:

- Good wages and benefits.
- Support for ongoing skill training and employee advancement.
- Good work conditions (including paid sick days, paid family leave, and paid medical or short-term disability leave).
- Adequate hours with predictable schedules that enable employees to meet their family caregiving commitments

The WDB recognizes that not all jobs are good jobs. Low-road, low-quality jobs that do not meet these standards for good jobs have high turnover rates, provide limited opportunity for career advancement, and call into question the return on investment of limited WIOA resources. There is a hidden cost to low wage work that is ultimately borne by communities.

The WDB will work with leaders in the employer and labor communities, including joint apprenticeship and training committees, to develop information infrastructures that produce strategic labor market analysis and needs assessment so that decisions on training services are directed and informed on the basis of job quality.

**PROCEDURES**

Based on the good jobs definition and the goal of establishing a high road economy, the WDB will implement the following:

- Prioritize funds to be used for work-based learning, on-the-job training, incumbent worker training, and customized business services to those high-road employers who offer quality jobs.
- Set new standards for providing products and services to employers by expanding partnerships with economic development agencies, local chambers of commerce, the county labor federation and state building trades councils, community organizations, and other associations that are building a sustainable economy with broadly shared prosperity. Plans will incorporate collaboration between employers and other stakeholders.
- Identify opportunities for pilot projects that will help employers increase job quality and productivity of the workforce.
- Build new sector partnerships and strengthen existing partnerships with employers to increase work-based learning experiences such as paid internships and registered apprenticeships that provide job seekers with the skills and credentials necessary to secure employment and advance in their jobs with family-sustaining wages and benefits.
- Work with employer and labor leaders to provide training and technical assistance to representatives of organized labor and community organizations on the WDB, including the sponsorship of annual meetings and/or conferences that provide such training on their duties as Board and committee members. The WDB will strive to give them the specific tools, including performance accountability tools, they will need to help the Board implement a high road workforce agenda.

(Adopted: PY 17-18)

## **Definition of Substantial Layoff Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This policy clarifies the definition of substantial layoff and provides guidance to America's Job Center/WorkSource Provider staff in determining eligibility for the Dislocated Worker Program.

### **BACKGROUND**

WIOA Section 3(15) defines the term dislocated worker, and identifies the various dislocated worker categories. The dislocated worker category relating to substantial layoff is defined as an individual who:

Has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;

(ii) is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or

(iii) for purposes of eligibility to receive services other than training services described in section 134(c)(3), career services described in section 134(c)(2)(A)(xii), or supportive services, is employed at a facility at which the employer has made a general announcement that such facility will close;

The WIOA regulations allow the local Workforce Development Boards to further define "substantial layoff."

### **POLICY**

The term substantial layoff is defined as the layoff of at least 10 employees from a plant, facility, or enterprise in a 30-day period.

### **PROCEDURE**

This policy requires all City of Los Angeles WorkSource Center Operators use the definition when determining eligibility for individuals applying for the Dislocated Worker program.

Documentation to verify substantial layoff includes, but is not limited to, WARN Notice (Separation Notice) or a Letter of authorization from the State WIOA Administrative Department.



**Adopted Policies**

**DRAFT**

Documenting and verifying the eligibility of participants in WIOA is mandatory. WIOA-funded agencies must confirm eligibility requirements through an examination of documents. Eligibility determination shall be made prior to enrollment in WIOA.

**REFERENCES**

WIOA Section 3 (15);  
Final Regulations 680.120  
Final Regulations 680.130

(Adopted PY 18-19)

## **Definition of Unlikely to Return Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This policy clarifies the definition of “unlikely to return” to previous occupation or industry from employment generally due to plant closures or downsizing, and provides guidance to America’s Job Center/WorkSource Provider staff in determining eligibility for the Dislocated Worker Program.

### **BACKGROUND**

WIOA Section 3(15) defines the term dislocated worker, and identifies the various dislocated worker categories. The dislocated worker category relating to “unlikely to return” is defined as an individual who:

- (A)(i) has been terminated or laid off, or who has received a notice of termination or layoff, from employment;
- (ii)(I) is eligible for or has exhausted entitlement to unemployment compensation; or (II) has been employed for a duration sufficient to demonstrate, to the appropriate entity at a one-stop center referred to in section 121(e), attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a State unemployment compensation law; and
- (iii) is unlikely to return to a previous industry or occupation;

The WIOA regulations allow the local Workforce Development Boards to further define “unlikely to return”.

### **POLICY**

The City of Los Angeles allows the use of any of the following considerations in defining “unlikely to return” when written documentation is available to prove that the applicant:

- Worked in a declining industry/occupation, as documented on State or locally-developed lists of such industries/occupations; or
- Has had a lack of job offers as documented by local EDD Workforce Services or Unemployment Insurance staff, rejection letters from employers in the area, or other documentation of unsuccessful efforts to obtain employment in the prior industry/occupation; or
- Is insufficiently educated, does not have the necessary skills or can no longer meet the minimum requirements of jobs available in field or occupation (e.g., clerical worker without word processing skills) for reentry into the former industry/occupation, as documented through the assessment of the individual’s educational achievement, testing, or other suitable means; or

**Adopted Policies**

**DRAFT**

- Has a physical limitation or an injury which limits the individual's ability to perform the job from which they were dislocated or other problems which would preclude reentry into the former industry/occupation, as documented by a physician or other professional (e.g., psychiatrist, psychiatric social worker, chiropractor, etc.); or
- Has a poor employment history indicating a reduced capacity or ability to be re-employed in the former industry or occupation. Documentation to verify poor employment history may include, but is not limited to, proof that:
  - Employment has been limited to one or more part-time (20 hours per week or less), or short-term (four months or less), jobs within the prior year, which were for the purpose of income maintenance rather than a career path (i.e., employment in "dead end" jobs, which would not prepare the individual for permanent reemployment in the previous industry or occupation);
  - Unemployment insurance and/or public assistance receipt in the prior year, with little or no employment in interim periods, indicating a poor work history; or
  - Terminated or laid-off due to mechanization ("to do or operate by machinery, not by hand").
- Determination by the service provider staff that an individual's likelihood of returning to his/her previous industry or occupation is unlikely due to circumstances that cause significant barriers to employment. Barriers to employment include:
  - Offender
  - High school dropout
  - Homeless
  - Cultural or language barrier
  - Older worker (Age 55+)
  - Basic skills deficient
- Referred through the Worker Profiling and Reemployment System

**Unlikely to Return - Recently Separated Service Members**

Recently separating service members who are within 48 months of discharge (other than dishonorable) or release from active military, naval, or air service automatically meet the dislocated worker requirement that the individual is unlikely to return to his or her previous industry or occupation.

**Unlikely to Return – Military Spouses**

A military spouse may be documented as "unlikely to return" if the spouse was required to leave employment due to a result of a military member's transfer. These circumstances do not position the spouse to return immediately to his/her previous occupation or industry for the following reasons:

**Adopted Policies**

**DRAFT**

- Even if a spouse resumes employment with the same employer, the employment is in a new location, and may not be the same structurally or organizationally as in the prior location;
- When military spouses do get jobs in their new locations, they often start at lower levels of seniority than the levels of their positions in their prior locations;
- There is frequently a gap in employment, which may lessen their likelihood of returning to the same level of occupation or job;
- The skills of the spouse may be obsolete or inadequate to meet the advancing competency needs of the current workforce and economy.

Agency staff may use one of the rationales listed above to indicate that the military spouse is unlikely to return to their previous industry or occupation. As with all documentation, if there is no documentary evidence from an official source, document the failed attempts to obtain the documents and then a Self-Attestation form may be used.

WIOA-funded agencies may use one of the rationales listed above to indicate that a farmworker or individual who worked seasonally is unlikely to return to their previous industry or occupation.

**PROCEDURE**

This policy requires all City of Los Angeles WorkSource Center Operators use the definition when determining eligibility for individuals applying for the Dislocated Worker program.

Documentation to verify “unlikely to return” includes, but is not limited to, internet site that indicates lack of industry occupation availability, insufficient skills or significant wage variable; newspaper employment section that indicates lack of industry/occupational availability; doctor’s statement verifying applicant’s inability to return to previous occupation/industry due to physical limitations; documentation of IAW Profiling (WPRS); court records/telephone verification from Probation Officer; documents listing age.

**Acceptable Documentation**

Documentation to verify recently separated service members includes, but is not limited to the DD214 or other appropriate documentation that shows a separation or imminent separation from the Armed Forces.

Documentation to verify Spouse of a Member of the Armed Forces includes, but is not limited to military transfer papers; employer verification; phone verification; self-attestation.

Documenting and verifying the eligibility of participants in WIOA is mandatory. WIOA-funded agencies must confirm eligibility requirements through an examination of documents. Eligibility determination shall be made prior to enrollment in WIOA.

**REFERENCES**

WIOA 3(15)(A)(iii);  
Final Regulations 680.660

(Adopted PY 18-19)

## **Definition of Youth Additional Assistance Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This policy seeks to define and/or provide clarification on what constitutes as a youth who requires additional assistance as described in the Workforce Innovation and Opportunity Act (WIOA).

### **BACKGROUND**

Under WIOA, no more than five percent of In-School (IS) youth enrolled in a given program year may be found eligible based solely on meeting the criterion, “requires additional assistance”. This limitation applies to IS youth enrolled on or after July 1, 2015. Therefore, participants that were enrolled under WIA and carried into WIOA would not be factored in.

Local Boards are responsible for establishing local definitions and eligibility documentation requirements for “requires additional assistance” as it relates to both Out-of-School (OS) and IS youth. The local policy should be reasonable, quantifiable, and based on evidence that the specific characteristic of the youth identified in the policy objectively requires additional assistance. As outlined in California’s United Strategic Workforce Development Plan 2016-2020 (State Plan), examples could include, but are not limited to, the following:

- Have repeated at least one secondary grade level or is one year over age for grade.
- Have a core grade point average (GPA) of less than 1.5.
- For each year of secondary education, are at least two semester credits behind the rate required to graduate from high school.
- Are emancipated youth.
- Have aged out of foster care.
- Are previous dropouts or have been suspended five or more times, or have been expelled.
- Have received court/agency referrals mandating school attendance.
- Are deemed at risk of dropping out of school by a school official.
- Have been referred to or are being treated by an agency for a substance abuse related problem.
- Have experienced recent traumatic events, are victims of abuse, or resides in an abusive environment as documented by a school official or other qualified professional.

**Adopted Policies**

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- Have serious emotional, medical, or psychological problems as documented by a qualified professional.
- Have never held a job (applies to OS youth).
- Have been fired from a job within the 12 months prior to application (applies to OS youth).
- Have never held a full-time job for more than 13 consecutive weeks (applies to OS youth).

**REFERENCES**

WIOA Section 2: Purpose

WIOA Section 129:

Directive WSD15-03

TEGL 8-15 pg.5

(Adopted PY 07-08)

(Revised PY 18-19)

## **Definition of Youth Not Attending School Policy**

EFFECTIVE DATE: JULY 1, 2019

### **POLICY STATEMENT**

This policy provides clarification on the definition of a youth “not attending school.”

### **BACKGROUND**

Under the Workforce Innovation and Opportunity Act (WIOA), at least 75 percent of available youth funds are to be used for out-of-school youth. An out-of-school youth is defined as an individual who is age 16 to 24 years, not attending any school (as defined by State law), and meets one or more of the following conditions: a) an eligible youth who is a school dropout; b) an eligible youth who is within the age of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter; c) an eligible youth who has either graduated from high school or holds a GED, a secondary school diploma, or its equivalent who is low-income and is either basic skills deficient or an English language learner; d) eligible youth subject to the juvenile or adult justice system ; e) a homeless individual, homeless child or youth, a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under section 477 of the Social Security Act, or in an out-of-home placement; f) an individual who is pregnant or parenting; g) a youth who is an individual with a disability; or h) a low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment. [WIOA Sec. 129 (B)]

The WIOA regulations allow the local Workforce Development Boards to further define “not attending school.”

### **Youth “Not Attending School”**

- A youth who is not attending a secondary or postsecondary school. In addition, youth who are enrolled in the following programs would still be considered “not attending school”:
  - WIOA Title II Adult Education, YouthBuild Job Corps, high school equivalency program, or dropout re-engagement programs.
    - Youth attending high school equivalency programs funded by the public K-12 school system, who are classified by the school system as still enrolled in school, are an exception.
  - Non-credit bearing postsecondary classes only.
  - A charter school program that provides instruction exclusively in partnership with WIOA, federally-funded YouthBuild programs, federal Job Corps training or instruction, California Conservation Corps, or a state certified local conservation corps.



**Adopted Policies**

**DRAFT**

- A youth who is within age of compulsory school attendance but has not attended for at least the most recent complete school year calendar quarter.
- A youth who is chronically absent (as defined by LAUSD or other school district), meaning a youth who has missed 25 or more days of school year. *Refer to CDE Bulletin 3720.0 & LAUSD Attendance Manual and Policy & Procedures for Elementary, Secondary & Options Schools.*
- A youth attending an Adult education program, who is not enrolled in an adult education program leading to a High School diploma or equivalent. *Refer to CDE Bulletin No. 2-74, Bulletin No. 4926.2 and LAUSD Attendance Manual and Policy & Procedures for Elementary, Secondary & Options Schools*

**REFERENCES**

WIOA Section 3: Definitions  
EDD Directive WSD17-07  
DOL TEGL 21-16  
WIOA Fact Sheet: Youth Program

(Adopted PY 14-15)

(Revised PY 18-19)

## **Eligibility Determination Policy**

**EFFECTIVE DATE:** July 1,-2019

### **POLICY STATEMENT**

This policy provides guidance and establishes the procedures regarding the eligibility verification process. Documenting and verifying the eligibility of participants is mandatory and WIOA-funded agencies must confirm eligibility requirements through an examination of documents.

### **BACKGROUND**

Verification of eligibility is used to ensure the reliability of the participant information system, to guarantee services are provided to persons most in need, and to avoid potential disallowed costs. Once an applicant is determined to be eligible, verification of eligibility must be completed. Agency staff must enter WIOA participant data into CalJOBS<sup>SM</sup> within 15 days from the date of service. No WIOA services may be provided until the participant has furnished proof of eligibility to the enrolling agency.

### **POLICY**

Documenting and verifying the eligibility of participants in WIOA is mandatory. WIOA-funded agencies must confirm eligibility requirements through an examination of documents.

### **PROCEDURE**

The procedure for determining eligibility and maintaining participant case records include the following:

- 100% up-front documentation of eligibility will be required for all WIOA applicants **prior** to accessing services.
- Applicants will complete a WIOA Application for WIOA-funded services.
- Verification of supporting eligibility documentation will be recorded in the participant file and in case notes as needed.
- Initial documentation of applicant eligibility will be based on the date of application.
- Participant records including all required WIOA forms and eligibility documentation, case notes, and supporting documentation for training activities will be maintained in the participant file as appropriate.
- All participant files are subject to monitoring and audit.

**REFERENCES**

WIOA Section 3(2), WIOA Section 3(36), WIOA Section 3(24), WIOA 134(c)(2)&(3), 20 CFR 680.110, 20 CFR 680.120, 20 CFR 680.130, CFR 680.600, 20 CFR 680.660,

(Adopted PY 18-19)

## **High-Growth Sector Initiative Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY STATEMENT**

The goal of this strategy is to develop industry sector expertise within the WorkSource Centers (WSC) in order to fully utilize sector-based employment strategies that lead to career pathways for program participants. A sector strategy is a dual customer approach because it meets the needs of employers while taking into consideration the needs of job-seekers. This strategy offers effective ways to create pathways to sustainable careers through job placements linked to post-secondary education and career ladders with opportunities for growth.

### **BACKGROUND**

Targeting the right sectors is essential and requires that policy makers use economic and labor market data to determine which industry sectors are best positioned to make gains if investments in workforce development are made. Investment decisions may be contingent on the degree to which a sector faces critical workforce supply problems.

The Workforce Development Board (WDB) has identified and prioritized several industry sectors regionally in Los Angeles based on economic trends and indicators of growth industries that have the ability to create opportunities to meet the employment needs of businesses to help produce better employment outcomes. These sectors include: Advanced/Clean Manufacturing, Construction, Financial Services, Green Technology, Healthcare, Hospitality/Entertainment, Logistics, Security, Utilities, Biotechnology/Biosciences, and Information Technology.

### **POLICY**

Sector investments should be prioritized where overall economic returns are likely to be highest, specifically in those sectors that will generate significant gains in terms of jobs and income. Investments should take into consideration the quality of jobs for which training resources are being made available. Trainings should result in livable wage jobs with benefits. Placements should be into occupations that are part of a well-articulated career ladder.

### **PROCEDURES**

Individual WSCs are required to formally incorporate the High-Demand Industry Occupation strategies adopted by the WDB into the WSC program design. Individual WSCs are required to specialize in specific sectors as approved by the Economic and Workforce Development Department (EWDD). WorkSource Centers specializing in a specific sector are expected to implement program designs that are inclusive of all city residents and businesses representing the specific sector. WSCs will collaborate with regional and system WSCs in the implementation of Sector Strategies.

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The WDB may prioritize additional sectors as long as it can be demonstrated through current labor market data that new initiatives meet the criteria for sector initiatives.

(Adopted PY 10-11)

(Revised PY 17-18)

## **Incumbent Worker Training Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY STATEMENT**

This Policy provides a definition and information related to Incumbent Worker Training based on information provided by the Workforce Investment and Opportunity Act (WIOA).

### **BACKGROUND**

An “incumbent worker” is a worker who is:

- Employed,
- Meets the Fair Labor Standards Act (FLSA) requirements for an employer-employee relationship, and
- Has an established employment history with the employer for 6 months or more, with the following exception: In the event that the incumbent worker training is being provided to a cohort of employees, not every employee in the cohort must have an established employment history for 6 months or more as long as a majority of those employees being trained do meet the employment requirement.

An incumbent worker does not necessarily have to meet the eligibility requirements for career and training services for adults and dislocated worker under WIOA, unless they are also enrolled as a participant in the WIOA adult or dislocated worker program.

Incumbent worker training is training:

- Designed to meet the special requirements of an employer (including a group of employers) to retain a skilled workforce or avert the need to lay off employees by assisting the workers in obtaining the skills necessary to retain employment, and
- Conducted with a commitment by the employer to retain or avert the layoffs of the incumbent worker(s) trained.

Local areas may reserve up to 20 percent of their combined total of adult and dislocated allotments for incumbent worker training.

### **PROCEDURES**

To the greatest extent possible, incumbent worker training shall be provided utilizing California Employment Training Panel Funds: <http://www.etp.ca.gov/>

Before providing incumbent worker training with WIOA formula funds, local areas must submit a request to their Regional Advisor requesting access to the grant codes associated with incumbent worker training.

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Incumbent Worker Training contracts with WIOA formula funds are subject to EWDD approval and oversight. In order for an employer to be eligible to receive incumbent worker training funds, the following must be considered:

- The characteristics of the participants in the program;
- The relationship of the training to the competitiveness of a participant and the employer;
- The number of employees trained;
- Wages and benefits including post-training increases; and
- The existence of other training opportunities provided by the employer.

Employers are required to pay for a significant cost of training for those participants in incumbent worker training; this can be done through both cash and/or in-kind payments. The wages paid to participants while in training may be considered as a source of matching funds. The minimum amount of the employer share in the incumbent worker training depends on the size of the employer:

- At least 10 percent of the cost, for employers with 50 or fewer employees;
- At least 25 percent of the cost, for employers with 51 to 100 employees; and
- At least 50 percent of the cost, for employers with more than 100 employees.

**REFERENCES**

20 CFR §680.780 – 680.820; DOL TEGL 3-15

(Approved PY 11-12)

(Revised PY 17-18)

## **Individual Training Accounts (ITA) Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY**

This policy provides guidance regarding the requirements for establishing an ITA.

### **BACKGROUND**

Training services for eligible individuals are typically provided by training providers who receive payment for their services through an ITA. The ITA is a payment agreement established on behalf of a participant with a training provider. Per the Workforce Innovation and Opportunity Act (WIOA) Regulations, Individual Training Accounts (ITA) may be established on behalf of customers to purchase classroom-training services from the State approved, Eligible Training Providers List (ETPL). A One-Stop center may issue an Individual Training Account (ITA) to fund training for adults and dislocated workers who after an interview, evaluation, or assessment, and after career planning have been determined by the one-stop operator or one-stop partner, as appropriate, to be in need of training to obtain employment or remain employed. The individual can then compare the offerings on the ETPL, and, with the advice of One-Stop staff, select the most appropriate training program. In this way, the ETPL helps to provide customer choice, while also supporting quality training programs.

### **PROCEDURES**

With the exception of certain types of customized, incumbent, and On-the-Job training; WDB contracts with institutions of higher learning; and the alternatives to traditional ITA training programs described in the Alternative Training Programs Policy, only training providers through their training programs listed on the ETPL are eligible to receive WIOA funds to train adults and dislocated workers. This list is available on the Internet at: [www.caljobs.ca.gov](http://www.caljobs.ca.gov).

ITAs may be established for City of Los Angeles WIOA customers only if the conditions set herein are met:

- The customer is unemployed or employed at a wage that is below the level of self-sufficiency consistent with the adopted policy of self-sufficiency approved by the Workforce Development Board (WDB).
- The customer was determined unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services.
- The customer was determined to be in need of training services to obtain or retain employment that leads to self-sufficiency or wages comparable to or higher than wages from previous employment.
- The customer was determined to have the skills and qualifications to successfully participate in the selected program of training services.



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- The customer has been unable to secure other financial assistance to cover the cost of training. WorkSource Centers must coordinate training funds available and make funding arrangements with one-stop partners and other agencies to apply this provision.
- WorkSource Centers must consider the availability of other sources of grants to pay for training costs such as Temporary Assistance for Needy Families (TANF), state-funded training funds such as Employment Training Panel (ETP) funds, and Federal Pell Grants, so that WIOA funds supplement other sources of training grants.
  - An ITA may be provided to individuals who require assistance beyond that made available under other grant assistance programs, including Federal Pell Grants.
  - In regards to Pell Grants.
    - Registered participants ineligible for Pell Grant assistance will not be denied access to training.
    - A participant may enroll in a WIOA-subsidized training while his/her application for a Pell Grant is pending as long as the WorkSource Center operator has made arrangements with the training provider and the participant regarding allocation of the Pell Grant. The training provider must reimburse the WorkSource Centers operator for the amount the Pell Grant subsequently awarded to customer. Reimbursement is not required from the portion of Pell Grant assistance disbursed to the WIOA participant for education-related expenses.
- If training services are provided through the adult funding stream, the customer must be determined eligible in accordance to the Priority of Service Policy.
- The customer has not participated in WIOA funded ITA training for 24 months following their last date of attendance in, or completion of, a prior WIA or WIOA funded training through the City of Los Angeles. In cases where there is a viable reason to provide additional training within 24 months, the service provider must obtain prior City approval.
- The customer has been unable to identify and/or enroll in a comparable course offered by local public educational institution.
- The customer has selected a training course or combination of courses from the ETPL in consultation with a case manager and consistent with customer's Individual Employment Plan (IEP).
- The training must lead to employment in a demand or growth occupation with a defined career ladder. The determination of demand or growth occupations must be consistent with the Annual Plan's policy regarding the definition of demand occupations and utilize to the fullest extent possible the labor market information system of the EDD.

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- The training must result in a wage at placement, which meets or exceeds the City's Living Wage standard, with the goal of attaining self-sufficiency.
- The training must result in the attainment of an industry-recognized certificate, if available, or the attainment of skills of a generally accepted standard.

**Other Conditions**

- Any customer who has met the aforementioned conditions must be referred to the training provider of choice unless the program has exhausted training funds for the program year. The program year approved budget shall reflect the training funds available.
- A one-stop operator or one-stop partner is not required to conduct a new interview, evaluation, or assessment of a participant if the one-stop operator or one-stop partner determines that it is appropriate to use a recent interview, evaluation, or assessment of the participant conducted pursuant to another education or training program.
- An individual is not required to receive career services prior to receiving training services.
- All classroom training providers are required to be on the ETPL regardless of whether or not they issue a certificate.
- Supportive services and needs based payments must be provided consistent with the WDB approved policy on Supportive Services and Needs Based Payments; unless, through a financial needs assessment, it has been determined that the customer is ineligible for such support or has sufficient resources to remain in training. The assessment should be documented and be part of the IEP and placed in individual participant folder.
- EDD Directive WIAD06-17 requires a policy on the amount and duration of an ITA, based on the market rate for local training programs. Therefore, this policy establishes that no customer shall be referred to a course offering with a total tuition of greater than \$7,500 or duration longer than twelve months without prior City approval. Customers may, however, use other sources of funds to cover those costs that exceed \$7,500. The customer's file should show the leveraging of funds for the customer covering either the full training or payment in excess of \$7,500 in training fees.
- Notwithstanding the leveraging of funds, in cases where there is a viable reason to subsidize a training costing in excess of \$7,500 and/or provide training longer than twelve months in duration the service provider shall obtain prior City approval. In such cases, this policy prohibits the issuance of a training voucher prior to the approval of the City; therefore, it is the sole responsibility of the service provider to submit its written request, indicating the reasons for the exemption(s), in a timely manner so as not to impede the registration of the WIA/WIOA customer in the course of choice consistent with his/her employment plan (IEP).

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- Priority for ITAs funded through the adult and dislocated worker programs must be given first to WIOA qualified job seekers who are Veterans and/or their eligible spouses (EDD Directive WSD08-10m [http://www.edd.ca.gov/Jobs\\_and\\_Training/pubs/wsd08-10.pdf](http://www.edd.ca.gov/Jobs_and_Training/pubs/wsd08-10.pdf)), then for training services funded with WIOA adult funds, priority of service must be given to recipients of public assistance, other low-income individuals, or individuals who are basic skills deficient.
- The City reserves the right to prohibit the referral of customers to schools that have poor performance records in serving City customers.
- Any revisions to the ITA policy after an Annual Plan has been released for the program year shall be issued through a City Directive. The City's WDB adopted policies and City Directives on ITA shall not be inconsistent with those requirements mandated by DOL and EDD.
- A copy of this approved policy, together with a complete explanation of the limited funds available, should be shared with potential ITA customers before training services are provided.

**REFERENCES**

20 CFR §680.300-310  
EDD Directive WIAD06-17

(Adopted PY 12-13)

(Revised PY 17-18)

## **Industry-Certified Training Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY**

To the greatest extent possible, participants enrolled in an education or training program (excluding those in OJT and/or customized training) shall attain a recognized postsecondary credential.

### **BACKGROUND**

The Workforce Innovation and Opportunity Act of 2014 defined the term "recognized postsecondary credential" as a "credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the State involved or Federal Government, or an associate or baccalaureate degree." A recognized postsecondary credential is awarded in recognition of an individual's attainment of measurable technical or industry/occupation skills necessary to obtain employment or advance within an industry/occupation. These technical or industry/occupational skills generally are based on standards developed or endorsed by employers or industry associations. Neither certificates awarded by workforce development boards, nor work readiness certificates, are not included in this definition because neither type of certificate documents the measurable technical or industry/occupational skills necessary to gain employment or advance within an occupation. Credentials must recognize technology or industry/occupational skills for the specific industry/occupation rather than general skills related to safety, hygiene, etc., even if such general skills certificates are broadly required to qualify for entry-level employment or advancement in employment.

### **PROCEDURES**

For the purpose of this policy, EWDD shall apply the above definition of recognized postsecondary credential.

A variety of different public and private entities issue recognized postsecondary credentials (not all credentials by these entities meet the definition of recognized postsecondary credential).

- A state educational agency or a state agency responsible for administering vocational and technical education within a state;
- An institution of higher education described in Section 102 of the Higher Education Act (20 USC 1002) that is qualified to participate in the student financial assistance programs authorized by Title IV of that Act. This includes community colleges, proprietary schools, and all other institutions of higher education that are eligible to participate in federal student financial aid programs;

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- A professional, industry, or employer organization (e.g., National Institute for Automotive Service Excellence certification, National Institute for Metalworking Skills, Inc., Machining Level I credential) or a product manufacturer or developer (e.g., Microsoft Certified Database Administrator, Certified Novell Engineer, Sun Certified Java Programmer) using a valid and reliable assessment of an individual's knowledge, skills, and abilities;
- DOL/ETA's Office of Apprenticeship or a recognized State Apprenticeship Agency;
- A public regulatory agency, which awards a credential upon an individual's fulfillment of educational, work experience, or skill requirements that are legally necessary for an individual to use an occupational or professional title or to practice an occupation or profession (e.g., FAA aviation mechanic license, state-licensed asbestos inspector);
- A program that has been approved by the Department of Veterans Affairs to offer education benefits to veterans and other eligible persons;
- Job Corps, which issues certificates for completing career training programs that are based on industry skills standards and certification requirements; or
- An institution of higher education that is formally controlled, or has been formally sanctioned, or chartered, by the governing body of an Indian tribe or tribes.

The following are acceptable types of credentials that count toward the credential attainment indicator:

- Secondary School diploma or recognized equivalent (participants must be employed, or enrolled in an education or training program leading to a recognized postsecondary credential within one year following exit);
- Associate's degree;
- Bachelor's degree;
- Occupational licensure;
- Occupational certificate, including Registered Apprenticeship and Career and Technical Education educational certificates;
- Occupational certification; or
- Other recognized certificates of industry/occupational skills completion sufficient to qualify for entry-level or advancement in employment.

Note: Graduate degrees are not included in the definition of a recognized postsecondary credential. Therefore, graduate degrees do not count towards credential attainment.

**REFERENCE**

TEGL 10-16, Change 1

(Adopted PY 11-12)

(Revised PY 18-19)

## **On-the-Job Training Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY STATEMENT**

This Policy provides a definition and information related to On-The-Job-Training based on information provided by the Workforce Investment and Opportunity Act (WIOA).

### **BACKGROUND**

#### **Definition:**

The Workforce Innovation and Opportunity Act (WIOA) Section 3, Definitions (44), defines on-the-job training (OJT) as:

Training by an employer that is provided to a paid participant while engaged in productive work in a job that:

- “Provides knowledge or skills essential to the full and adequate performance of the job;
- Is made available through a program that provides reimbursement to the employer of up to 50 percent of the wage rate of the participant, except as provided in section 134(c)(3)(H),\* for the extraordinary costs or providing the training and additional supervision related to training; and
- Is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant, and the service strategy of the participant, as appropriate.”

In considering this definition, four key concepts should be noted:

- OJT is a training program;
- The trainee is referred to and hired by an employer;
- Productive work is defined by the employer and performed by the individual; and
- The work and required training are related to knowledge or skills that are essential to performing the job.

### **PROCEDURES**

OJT contracts are subject to the approval of EWDD oversight. OJT contracts must be limited in duration to the time necessary for a participant to become proficient in the occupation for which they are receiving the OJT. When determining the length of the training contract, the skill level requirements of the occupation, the academic and occupational level of the participant, prior work experience, and the participant's individual employment plan must be taken into account.\*\*

### **OJT Participants**

While the sequence of services is eliminated under WIOA, training should still be made available to individuals only after an interview, assessment or evaluation determines that the individual requires training to obtain employment or remain employed

An appropriate OJT participant:

- Has received an objective assessment and has completed the Individual Employment Plan (IEP) documents supporting the need for OJT as the best option for obtaining secure employment;
- Is not already been hired in the same or similar job (except for skills upgrades); and
- Will not work for their previous employer unless the OJT is for the purpose of skills upgrade.

Before developing an IEP for each OJT enrollee, the participating WorkSource center will work with the participating employer to identify needed, job-specific skills.

OJT agreements may be written for eligible employed workers when:

- The employee is not earning a self-sufficient wage as described in the Annual Plan's Self-Sufficiency Policy, or subsequent directives, or wages comparable to or higher than wages from previous employment; and
- The OJT relates to the introduction of new technologies, introduction to new production or service procedures, upgrading to new jobs that require additional skills, workplace literacy, or other appropriate purposes identified by the Local Board.

### **Employer Requirements**

OJT is provided under an agreement with an employer or registered apprenticeship sponsor in the public, private non-profit, or private sector. Prescreening will be conducted prior to an agreement to ascertain the employer meets the standards set forth in the OJT Agreement, and the employer can provide both training and long-term employment to the OJT participant. Agreements must not be entered into with an employer that received payments under previous OJT agreements if the employer has exhibited a pattern of failing to provide OJT participants with continued long-term employment as a regular employee with wages, employee benefits, or working conditions at the same level as other employees performing the same type of work for the same length of time.

### **Employer Reimbursement**

OJT payments are to be compensation to the employer for the extraordinary costs associated with training participants and potentially lower productivity of participants while in the OJT. Generally, extraordinary costs are those costs the employer has in training participants who may not yet have the knowledge or skills to obtain the job through an employer's normal recruitment process.



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Employers may be reimbursed up to 50 percent of the wage rate of an OJT participant. Local Boards may increase the reimbursement rate for OJT agreements up to 75 percent, when taking into account the following factors:

- The characteristics of the participants taking into consideration whether they are “individuals with barriers to employment,” as defined in WIOA §3(24);
- The size of the employer, with an emphasis on small business;
- The quality of employer-provided training and advancement opportunities (for examples for an in-demand occupation and will lead to an industry-recognized credential; and
- Other factors the local board may determine to be appropriate, which may include the number of employees participating, wage and benefit levels of the employees (both at present and after completion), and relation of the training to the competitiveness of the participant.

Local Boards must document the factors used when deciding to increase the wage reimbursement levels above 50 percent.

**REFERENCES**

OJT will be in compliance with the following regulations till repealed or amended: 20 CFR 680.700-750; WIOA Sections 116, Performance Accountability System; 185(d) and 189(i)(3)(B); City Directives; and all applicable state labor laws and city ordinances, including the City’s living wage regulations.

\*WIOA section 134(c)(3)(H) describes situations in which the Local Board may increase the reimbursement rate for OJT agreements from 50 percent up to 75 percent.

\*\* Special grants, i.e. NEGs (non-formula WIA) may limit OJT training to certain timeframes and may be subject to upper limits of hourly wages used to calculate employer reimbursement.

(Adopted PY 11-12)

(Revised PY 17-18)

## **Priority of Service Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY STATEMENT**

This policy provides guidance and establishes the procedures regarding priority of service for recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient served with *Workforce Innovation and Opportunity Act* (WIOA) adult funds.

### **BACKGROUND**

The WIA required that if funds allocated to a Local Area for adult employment and training activities were limited, priority of service was to be provided to recipients of public assistance and other low-income individuals for intensive services and training services.

The WIOA made several changes to the priority of service requirement by adding individuals who are basic skills deficient as a priority population, changing intensive services to career individualized services, and removing the provision stating priority of service is only applied if funding is limited.

Veterans and eligible spouses continue to receive priority of service for all DOL funded programs amongst all participants. These requirements were not affected by the passage of the WIOA and must still be applied in accordance with guidance previously issued by the DOL and Workforce Services Directive [WSD08-10](#).

### **POLICY AND PROCEDURES**

#### **Priority of Service Requirement**

As stated in the WIOA Section 134(c)(3)(E), with respect to individualized career services and training services funded with WIOA adult funds, priority of service must be given to recipients of public assistance, other low-income individuals, or individuals who are basic skills deficient.

Priority of service status is established at the time of eligibility determination and does not change during the period of participation. Priority does not apply to the dislocated worker population.

Veterans and eligible spouses continue to receive priority of service among all eligible individuals; however, they must meet the WIOA adult program eligibility criteria and meet the criteria under WIOA Section 134(c)(3)(E). As described in TEGL 10-09, when programs are statutorily required to provide priority, such as the WIOA adult program, then priority must be provided in the following order:

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- Veterans and eligible spouses who are also recipients of public assistance, other low income individuals, or individuals who are basic skills deficient.
- Individuals who are the recipient of public assistance, other low income individuals, or individuals who are basic skills deficient.
- Veterans and eligible spouses who are not included in WIOA's priority groups.
- Other individuals not included in WIOA's priority groups.

[Reference – [TEGL 3-15](#) *Guidance on Services Provided through the Adult and Dislocated under the Workforce Innovation and Opportunity Act and Wagner Peyser, as Amended by WIOA, and Guidance for the Transition to WIOA Services*]

For additional guidance on providing priority of service to veterans through the one-stop system, please reference Workforce Services Directive [WSD08-10](#).

Local Workforce Development Boards (Local Boards) may establish additional priority groups for their Local Area (e.g., residents of the Local Area, individuals with disabilities, ex-offenders, etc.). If any additional priority groups are established, they should be identified in the local policy.

**Definitions**

For purposes of this directive, the following definitions apply:

*Basic Skills Deficient* – An individual that is unable to compute or solve problems, or read, write, or speak English, at a level necessary to function on the job, in the individual's family, or in society (WIOA Section 3[5]). ***Criteria used to determine whether an individual is basic skills deficient includes the following:***

- Lacks a high school diploma or high school equivalency and is not enrolled in post- secondary education.
- Enrolled in a Title II Adult Education/Literacy program.
- English, reading, writing, or computing skills at an 8.9 or below grade level.
- Determined to be Limited English Skills proficient through staff-documented observations.
- Other objective criteria determined to be appropriate by the Local Area and documented in its required policy.

*Case Notes* – Paper or electronic statements by the case manager that identifies, at a minimum, (1) a participant's status for a specific data element, (2) the date on which the information was obtained, and (3) the case manager who obtained the information. If case notes are used as a documentation source, the case notes must provide an auditable trail back to the source of information verified. The case manager does not need to keep a hard copy of the information verified in the participant's case file.

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*Example: A case manager verifies an individual is basic skills deficient by viewing school records, specifically, enrollment in a Title II Adult Education/Literacy program. The case notes must include auditable information, such as the name of the school and the date of enrollment, which could allow an auditor/monitor to later retrieve this information. The case manager would not need to keep a hard copy of the school record in the participant's file (TEGL 06-14, Attachment A).*

*Low-Income* – An individual that meets one of the four criteria below:

- Receives, or in the past six months has received, or is a member of a family that is receiving, or in the past six months has received, assistance through the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance For Needy Families (TANF), program supplemental security income program, or state or local income-based public assistance.
- In a family with total family income that does not exceed the higher of the following:
  - The poverty line.
  - 70 percent of the Lower Living Standard Income Level.
- A homeless individual.
- An individual with a disability whose own income does not exceed the income requirement, but is a member of a family whose total income does.

(Reference WIOA Section 3[36])

*Public Assistance Recipient* – An individual that receives federal, state, or local government cash payments for which eligibility is determined by a needs or income test (WIOA Section 3[50]).

*Self-Attestation* – When a participant states his or her status for a particular data element, such as low income, and then signs and dates a form acknowledging this status. The key elements for self- attestation are (1) the participant identifying his or her status for permitted elements, and (2) signing and dating a form attesting to this self-identification. The form and signature can be on paper or in the Local Area management information system, with an electronic signature (TEGL 06- 14, Attachment A).

\*Note that self-attestation is not to be used as the primary method of gathering documentation to verify data elements. Self-attestation as a documentation source is only to be used when the preferred options of paper documentation or third party corroboration are not available.

**Career and Training Services**

Under WIOA, the WIA core and intensive services are merged into a new category entitled “career services.” The career services category includes basic career services, found at WIOA Section 134(c)(2)(A)(i)-(xi), and individualized career services, found at

WIOA Section 134(c)(2)(A)(xii). Basic career services are not subject to the priority of service requirement. However, individualized career services and training services are subject to the requirement (Title 20 CFR NPRM Section 680.150).

*Basic Career Services*

Basic career services must be made available to all individuals seeking services offered by the one- stop delivery system, and include the following:

- Determinations of whether the individual is eligible to receive assistance from the adult, dislocated worker, or youth programs.
- Outreach, intake (including identification through the state’s Worker Profiling and Reemployment Services system of unemployment insurance (UI) claimants likely to exhaust benefits), and orientation to information and other services available through the one-stop delivery system.
- Initial assessment of skill levels including literacy, numeracy, and English language proficiency, as well as aptitudes, abilities (including skills gaps), and supportive service needs.
- Labor exchange services, including the following:
  - Job search and placement assistance, and, when needed by an individual, career counseling, including the following:
    - Provision of information on in-demand industry sectors and occupations [as defined in WIOA Section 3(23)].
    - Provision of information on nontraditional employment [as defined in WIOA Section 3(37) of].
- Provision of referrals to and coordination of activities with other programs and services, including those within the one-stop delivery system and, when appropriate, other workforce development programs.
- Provision of workforce and labor market employment statistics information, including the provision of accurate information relating to local, regional, and national labor market areas, including the following:
  - Job vacancy listings in labor market areas.
  - Information on job skills necessary to obtain the vacant jobs listed.
  - Information relating to local occupations in demand and the earnings, skill requirements, and opportunities for advancement for those jobs.
- Provision of performance information and program cost information on eligible providers of training services by program and type of providers.
- Provision of information about how the Local Area is performing on local performance accountability measures, as well as any additional performance information relating to the area’s one-stop delivery system.

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- Provision of information relating to the availability of supportive services or assistance, and appropriate referrals to those services and assistance, including (1) child care, (2) child support, (3) medical or child health assistance available through the state's Medicaid program and Children's Health Insurance Program, (4) benefits under the SNAP, (5) assistance through the earned income tax credit, (6) housing counseling and assistance services sponsored through the U.S. Department of Housing and Urban Development, (7) and assistance under a state TANF program, and other supportive services and transportation provided through that program.
- Assistance in establishing eligibility for programs of financial aid assistance for training and education programs not provided under WIOA.
- Provision of information and assistance regarding filing claims under UI programs, including meaningful assistance to individuals seeking assistance in filing a claim:
  - Meaningful assistance means providing assistance as follows:
    - On-site using staff who are properly trained in UI claims, filing, and/or the acceptance of information necessary to file a claim (note that, staff providing UI assistance may be UI, Wagner-Peyser, or other America's Job Center of California<sup>SM</sup> (AJCC) partner staff members who have been properly trained to provide this type of assistance and service. Note that, questions, advice, or decisions that could affect a claimant's eligibility should only be handled by UI program staff).
    - By phone or via other technology, as long as the assistance is provided by trained and available staff and within a reasonable time.
- The costs associated in providing meaningful assistance may be paid for by the state's UI program, the WIOA adult or dislocated worker programs, the Wagner-Peyser Employment Service, or some combination thereof these funding sources.

*Individualized Career Services*

Individualized career services are subject to priority of service, and consist of the following:

- Comprehensive and specialized assessments of the skill levels and service needs of adults and dislocated workers, which may include the following:
  - Diagnostic testing and use of other assessment tools.
  - In-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.
- Development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to achieve his or her employment goals, including the list of, and information about, eligible training providers.

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- Group and/or individual counseling and mentoring.
- Career planning (e.g. case management).
- Short-term pre-vocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct to prepare individuals for unsubsidized employment or training, in some instances pre- apprenticeship programs may be considered as short-term pre-vocational services.
- Internships and work experiences that are linked to careers.
- Workforce preparation activities that help an individual acquire a combination of basic academic skills, critical thinking skills, digital literacy skills, and self-management skills, including competencies in utilizing resources, using information, working with others, understanding systems, and obtaining skills necessary for successful transition into and completion of postsecondary education, or training, or employment.
- Financial literacy services.
- Out-of-area job search assistance and relocation assistance.
- English language acquisition and integrated education and training programs.

*Training Services*

Training services are subject to priority of service, and consist of the following:

- Occupational skills training, including training for nontraditional employment.
- On-the-job training.
- Incumbent worker training.
- Programs that combine workplace training with related instruction, which may include cooperative education programs.
- Training programs operated by the private sector.
- Skill upgrading and retraining.
- Entrepreneurial training.
- Transitional jobs.
- Job readiness training provided in combination with another training service.
- Adult education and literacy activities, including activities of English language acquisition and integrated education and training programs, provided concurrently or in combination with another training service.
- Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

**Documentation**

Local Areas may use the following sources of documentation to verify whether an adult participant qualifies for priority of service under WIOA:

<b>PRIORITY OF SERVICE</b>	
<b>Priority of Service Criteria</b>	<b>Acceptable Documentation</b> (Only the documentation sources listed below)
<b>1. Recipient of Public Assistance</b>	<ul style="list-style-type: none"> <li>• Cross-match with public assistance database</li> <li>• Copy of authorization to receive cash public assistance</li> <li>• Copy of public assistance check</li> <li>• Medical card showing cash grant status</li> <li>• Public assistance records</li> <li>• Refugee assistance records</li> </ul>
<b>2. Low Income</b>	<ul style="list-style-type: none"> <li>• Alimony agreement</li> <li>• Award letter from veteran’s administration</li> <li>• Bank statements</li> <li>• Compensation award letter</li> <li>• Court award letter</li> <li>• Pension statement</li> <li>• Employer statement/contact</li> <li>• Family or business financial records</li> <li>• Housing authority verification</li> <li>• Pay stubs</li> <li>• Public assistance records</li> <li>• Quarterly estimated tax for self-employed persons</li> <li>• Social Security benefits</li> <li>• Unemployment Insurance documents</li> <li>• Self-attestation*</li> </ul>
<b>3. Basic Skills Deficient</b>	<ul style="list-style-type: none"> <li>• School Records                             <ul style="list-style-type: none"> <li>○ A referral or records from a Title II Basic Adult Education program or English Language Learner program</li> </ul> </li> <li>• Results of academic assessment</li> <li>• Case notes*</li> <li>• Self-Attestation*</li> </ul>
<p>*Please reference the definition section of this directive for additional guidance on case notes or self-attestation being used for documentation purposes.</p>	



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For reporting and statistical purposes, the EDD recommends Local Areas document all barriers of employment in order to accurately measure populations served within the one-stop system.

**REFERENCES**

- *WIOA (Public Law 113-128) Sections 3 and 134*
- *WDS 15-14 on [www.edd.ca.gov](http://www.edd.ca.gov)*
- *Workforce Investment Act (WIA) Section 134*
- *Title 20 Code of Federal Regulations (CFR) "WIOA, Notice of Proposed Rule Making" (NPRM), Sections 680.150, 680.600, 680.610, and 680.650*
- *Training and Employment Guidance Letter (TEGL) 06-14, Program Year 2013/Fiscal Year 2014 Data Validation and Performance Reporting Requirements and Associated Timelines, Attachment A (September, 10, 2014)*
- *TEGL 03-15, Guidance on Services Provided through the Adult and Dislocated under the Workforce Innovation and Opportunity Act and Wagner Peyser, as Amended by WIOA, and Guidance for the Transition to WIOA Services (July 1, 2015)*
- *Workforce Services Directive WSD08-10, Subject: Final Rule on Priority of Service for Veterans and Eligible Spouses (June 29, 2009)*

(Adopted PY 15-16)

(Revised PY 16-17)

**Property/Equipment – Purchasing, Inventory, and Disposition Policy**

EFFECTIVE DATE: July 1, 2019

**POLICY STATEMENT**

This policy provides guidance and establishes the procedures for the purchasing, inventory, and disposal of property and equipment using WIOA funds. The intent is to ensure that purchases of property and equipment are procured properly through fair and open competition, and managed according to proper inventory, maintenance, and disposition procedures.

**DEFINITIONS**

**Property-** real property or personal property (Uniform Guidance Section 200.81)

**Intangible Property** – property having no physical existence, such as a trademark, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible) Uniform Guidance Section 200.78)

**Real Property** – land, including land improvements, structures and appurtenances thereto, but excludes movable machinery and equipment (Uniform Guidance Section 200.78).

**Personal Property** – property other than Real Property. It may be tangible, having physical existence or intangible (Uniform Guidance Section 200.78).

**Equipment** – tangible, personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or \$5,000 (Uniform Guidance Section 200.33).

**Supplies** – all tangible personal property other than equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-federal entity for financial statement purposes or \$5,000 regardless of the length of its useful life (Uniform Guidance Section 200.94).

**Information Technology systems** – computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), licensing or subscriptions to software and software support services, and related services (Uniform Guidance Section 200.58).

**Hardware** – physical components of computer systems.

**Software** – programs, procedures, data and routines used, accessed, and/or stored by computers.

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**Subscription** – the regular remittance of pay for the licensed use of services, application/software, equipment, or property with a cost of \$5,000 or more per unit, or cumulative cost within a twelve month period.

**Budget Plans**

A contractor may occasionally submit budget plans that include a request to purchase property. However, the approval of the budget plan DOES NOT constitute approval of the purchase request. The contractor will be required to submit required procurement documentation per the contract to the Program Analyst for review and approval.

**PURCHASE CONSIDERATIONS**

To ensure funds are being spent in a fiscally prudent and efficient manner, subrecipients need to consider the following prior to purchasing property:

- Is the purchase reasonable?
- Why is the purchase needed?
- Have the best products been selected?
- What procurement method will be used?
- Has a lease option been considered?
- Does the State/City already provide the item, service, or software being considered for rent, purchase, or subscription?

**PURCHASE PROCEDURES**

Contractors should anticipate purchases prior to the start of each Program Year, and budget accordingly. Unanticipated purchases are still allowable, but must be accounted for in a revised budget, complete with a narrative justifying the need for purchase. Contractors must obtain prior approval from the Economic and Workforce Development Department (EWDD) to purchase any equipment or property using WIOA funds.

Purchases must be made in accordance with the Procurement Policy as set forth in the Workforce Development Board's Annual Plan. The required documentation, including specifications and pricing, must be submitted to the Program Analyst for review. EWDD will make a decision and notify the contractor in writing of the decision.

Items with a per-unit cost of \$5,000 or more also require prior approval from the State of California Employment Development Department (EDD). Once the documentation is provided to the Program Analyst, EWDD will submit a request to the State for the purchase. Contractor will be notified in writing of the State's decision.

All purchases using WIOA funds must be used for allowable activities under the terms of the contract, grant, or other agreement. Failure to follow these procedures may result in questioned or disallowed costs.

## **INVENTORY RECORDS**

Contractors must maintain an inventory control of all equipment and property purchased with WIOA funds. Items should be tagged with the assistance of the Program Analyst, and all pertinent information (description of property, purchase date, serial number, cost, location, tag number, condition, etc.) recorded on the City's Equipment Inventory form. Title to property and supplies purchased with WIOA funds are vested in EWDD. Contractors must take a physical property inventory and reconcile the inventory with the property records at least once every two years.

The transfer or removal of any equipment from the contractor's assigned inventory is prohibited unless first approved by EWDD. Contractors must also ensure adequate safeguards to City property to prevent loss, damage, or theft of such property. In the event that an item of City property is lost, vandalized, or stolen, contractor has the responsibility to act promptly and notify local law enforcement and the City documenting the surrounding circumstances. If the City property is vandalized or stolen contractor must submit copy of police report to the assigned EWDD Program Analyst.

## **DISPOSITION**

If property with a per unit fair market value (FMV) of \$5,000 or more is no longer needed for the original project or program, the contractor may use the property for other activities currently or previously supported by the Department of Labor (DOL). FMV is defined as the selling price of an item that is sold through auction, advertisement, or a dealer.

If the property is not needed for a DOL program/project, the contractor may either retain or sell the property and reimburse the State (via the City) for the WIOA federal funds' share. The amount of reimbursement is computed by applying the percentage of WIOA funds used to purchase the items to the current FMV of the property.

The City will send the funds from any sale of equipment to the following address:

Attn: Cash Control Unit  
Fiscal Programs Division, MIC 70  
Employment Development Department  
P.O. Box 826217  
Sacramento, CA 94230-6217

If the contractor has no further use for tagged and inventoried property, and wishes to dispose of it in a manner other than selling, they must request City approval in writing prior to disposition. Should the item be salvaged, the Inventory form must be kept and updated for any transaction in accordance with record retention procedures.

(Adopted PY 17-18)

(Revised PY 18-19)

**Resource Sharing Agreement Policy**

**EFFECTIVE DATE: July 1, 2019**

**POLICY**

The Workforce Innovation and Opportunity Act (WIOA) requires that a Resource Sharing Agreement (RSA), a key component of the WIOA MOU, be executed between the operators of the WorkSource Center / America’s Job Center of California (WorkSource/AJCC) and the co-located partners at each site, with the objective to ensure that the costs of operating a WorkSource/AJCC are shared between the partners. It includes funding of infrastructure and operating costs of the Centers, funding of shared services, and the leveraging of in-kind contributions, as appropriate. All mandatory WIOA partners shall negotiate in good faith and seek to establish RSAs that are equitable.

**BACKGROUND**

In order to establish a high quality One-Stop delivery system and enhance collaboration amongst partner programs, WIOA requires Local Boards to develop MOUs with all AJCC required partners present in their Local Workforce Development Area (Local Area). The expectation is that these MOUs serve as a functional tool as well as visionary plan for how the Local Board and AJCC partners will work together to create a unified service delivery system that best meets the needs of their shared customers.

The state chose to separate the MOU development process into two distinct phases. Phase I addressed service coordination and collaboration amongst the partners and was intended to be completed by June 30, 2016. Phase II will address how to sustain the unified system described in Phase I through the use of resource sharing and joint infrastructure cost funding and must be in place at the local level by September 1, 2017, or the state funding mechanism will be triggered.

Per EDD Directive WSD16-22, WIOA Phase II MOUs – Affiliate and Specialized AJCCs, Local Boards and AJCC partners who are co-located within an Affiliate or Specialized AJCC are required to participate in the Phase II MOU process, which includes negotiating and signing Infrastructure Funding Agreements (IFA) and Other System Costs Budgets. However, due to the delayed issuance of federal guidance on the inclusion of Affiliate and Specialized AJCC’s in IFA and Other System Costs Budget negotiations, Local Boards and AJCC partners were given the option to include these AJCCs in Program Year 2018-19 negotiations. As a result, the City has elected to include any Affiliate or Specialized AJCCs in Program Year 2018-19 IFA and Other System Budget costs renegotiations, which are to be completed by March 1, 2018.

**POLICY**

The purpose of the Resource Sharing Agreement (RSA) is to establish the terms and conditions of how services and operating costs of the local workforce system will be

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funded. The RSA should capture cost sharing information on infrastructure funding of the AJCC/WSCs, funding of shared services, operating costs of the System, and the leveraging of in-kind contributions, as appropriate. All required AJCC/WSCs Partners, must work together to integrate shared services and leverage each other's resources to effectively and efficiently serve common customers of the local workforce system.

WIOA requires that American Job Center Partners describe how the costs of services and the operating system will be funded, including:

- Cash and in-kind contributions that are fairly evaluated, which may include contributions from philanthropic organizations or private entities, or through alternative financing options, to provide a stable and equitable funding stream for ongoing AJCC/WSCs delivery system operations;
- Infrastructure costs of the AJCC/WSCs.
- As detailed in WIOA, the goal of the RSA is to develop a funding mechanism that:
- Maintains the local workforce delivery system to meet the needs of the local area;
- Reduces duplication by improving program effectiveness through the sharing of services, resources, and technologies among Partners;
- Reduces overhead by streamlining and sharing financial, procurement, and facility costs; and
- Ensures that costs are appropriately shared by AJCC/WSCs Partners by determining contributions based on proportionate share of use, and requiring that all funds are spent solely for allowable purposes in a manner consistent with the applicable authorizing statute and all other applicable legal requirements, including the Federal cost principles.
- The State's workforce delivery system is intended to function as a system where all customers can access valuable services and connect to resources necessary for their career success. The costs of operating this system, therefore, include non-personnel costs, such as facilities and technologies, in addition to personnel costs for those who deliver services directly to business and job seeker customers. Shared services' costs may include the costs of shared services that are authorized for, and may be commonly provided through, any of the AJCC/WSCs partner programs to any individual, such as:
  - Initial intake;
  - Assessment of needs;
  - Evaluation of basic skills;
  - Identification of appropriate services to meet needs;
  - Referrals to other American Job Center Partners; and,
  - Business Services.

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Shared costs must be allocated according to AJCC/WSCs Partner's proportionate use and relative benefits received. Any shared costs agreed upon by the Partners must be included in the WIOA MOU.

With this in mind the City and Collocated Partners will employ a cost allocation methodology based on space use by square footage (the proportion of a Partner's occupancy percentage) to determine the proportionate share of infrastructure costs for each Collocated Partner. The methodology will apply the ratio of space usage by a Partner over the entire space of the site occupied by all Partners to the infrastructure costs of the Comprehensive AJCC to determine the share of the given Partner's cost. The calculation of infrastructure costs will be for the whole system rather than center by center.

The RSA component of the WIOA MOU will identify infrastructure and shared services of the local workforce system that will be reconciled on an annual basis against actual costs incurred and adjusted accordingly. The WIOA MOU/RSA should further identify how the partners will operate when overages or savings occur after reconciliation. This is required in order to ensure costs are fairly evaluated and that each Partner is not required to contribute more than its proportionate share. The RSAs are will be transparent and negotiated among Partners on an equitable basis to ensure costs are shared appropriately. All Partners will negotiate in good faith and seek to establish a WIOA MOU/RSA that is reasonable and fair.

(Adopted PY 13-14)

(REV PY 18-19)

## **Selective Service Registration Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY**

All programs and services established or receiving assistance under the Workforce Innovation and Opportunity Act (WIOA) must comply with the Selective Service registration requirements. These requirements apply to both formula and discretionary grants awarded by the Employment and Training Administration under WIOA. They do not apply to programs funded or solely authorized by the Wagner-Peyser Act.

### **BACKGROUND**

Only those males who are subject to, and have complied with, the registration requirements of the Military Selective Service Act are eligible for participation in WIOA funded programs and services. Section 189(h) of the WIOA requires the Secretary of Labor to ensure that each individual participating in any WIOA program, or receiving any assistance under the Act, has not violated the requirements of Section 3 of the Military Selective Service Act. This section requires that every male citizen and every other male residing in the United States must register with Selective Service between their 18th and 26th birthday. This section also requires the Director of the Selective Service System and the Secretary of Labor to cooperate in carrying out these provisions.

### **PROCEDURES**

#### **Selective Service Registration Requirements**

Males born on or after January 1, 1960, are required to register with the Selective Service within 30 days of their 18th birthday and up to, but not including their 26th birthday.

This includes males who are:

- Citizens of the U.S.;
- Veterans discharged before their 26th birthday;
- Non-citizens, including undocumented immigrants, legal permanent residents, seasonal agricultural workers, and refugees who take up residency in the U.S. prior to their 26th birthday; and/or
- Dual nationals regardless of whether they live in the U.S.

For U.S. citizens, Selective Service registration is not required if the male falls within one of the following categories:

- Males who are serving in the military on full-time active duty;



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- Males attending the service academies;
- Disabled males who were continually confined to a residence, hospital or institution;
- Males who are hospitalized, institutionalized, or incarcerated are not required to register during their confinement; however, they must register within 30 days after being released if they have not yet reached their 26th birthday; and/or
- Veterans discharged after their 26th birthday.

For non-U.S. citizens, Selective Service registration is not required if the male falls within one of the following categories:

- Non-U.S. male who entered the U.S. for the first time after his 26th birthday. Acceptable forms of supporting documentation include:
  - Date of entry stamp in his passport;
  - I-94 with date of entry stamp on it; or
  - Letter from the U.S. Citizenship and Immigration Services indicating the date the male entered the U.S. (shown along with documentation establishing the male's age).
- Non-U.S. male who entered the U.S. illegally after his 26th birthday. He must provide proof that he was not living in the U.S. from age 18 through 25.
- Non-U.S. male on a valid non-immigrant visa.

NOTE: The requirement for transsexual, transgendered, and intersex individuals to register with the Selective Service depends upon the gender recorded on their birth certificate. If an individual is recorded as a male, that individual would need to register for the Selective Service regardless of their present sexual identity (e.g. sex change from male to female). However, if that individual's birth certificate is later changed to reflect a female identity, that individual would not be required to register.

This list of Selective Service registration requirements is not exhaustive; however, additional information regarding these requirements can be found on the Selective Service website at [www.sss.gov](http://www.sss.gov). This website also provides a quick reference chart listing who must register at: <https://www.sss.gov/Portals/0/PDFs/WhoMustRegisterChart.pdf>.

**Acceptable Documentation**

In order to be eligible to receive WIOA-funded services, all males born on or after January 1, 1960, must present documentation showing compliance with the Selective Service registration requirement. Acceptable documentation to determine a person's eligibility for WIOA programs include:

- Selective Service Acknowledgement letter
- Form DD-214 "Report of Separation," (use only if veteran was discharged after his 26th birthday)
- Screen printout of the Selective Service Verification site:  
<https://www.sss.gov/Home/Verification> For males who already registered, this website can be used to confirm their Selective Service number as well as the date of registration, by entering a last name, social security number, and date of birth.
- Selective Service Registration Card
- Selective Service Verification Form (Form 3A) and/or
- Stamped Post Office Receipt of Registration

### **Registration Requirements for Males Under 26**

Before being enrolled in WIOA-funded services, all males who are not registered with the Selective Service and have not reached their 26th birthday must register through the Selective Service website at [www.sss.gov](http://www.sss.gov). If a male turns 18 while participating in WIOA-funded services, registration with Selective Service must be completed no later than 30 days after he becomes 18 in order to continue to receive WIOA-funded services. If a male under the age of 26 refuses to register with Selective Service, WIOA-funded services must be suspended until he registers.

### **Non-Registration by Males 26 and Older**

Grantees, subgrantees or contractors, funded or authorized by WIOA, must establish a policy for those potential participants who are 26 or older that failed to register with the Selective Service. This policy may request either a Status Information Letter from a potential participant before making a determination of knowing and willful failure to register; or (2) initiate the process to determine if the potential participant's failure was knowing and willful without first requesting a Status Information Letter. The second option may be preferable for entities that have time limits for enrolling participants (e.g. individuals recently released from incarceration).

Before enrolling in WIOA-funded services, all males 26 and older must provide either:

- Documentation showing they were not required to register; or
- If they were required to register, documentation establishing that their failure to register was not knowing or willful.

Individuals who did not register for the Selective Service or who cannot provide any of the documentation listed in the "Acceptable Documentation" section of this directive must obtain a Status Information Letter from the Selective Service indicating whether they are required to register. The Request for the Status Information Letter form and

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instructions can be accessed at <https://www.sss.gov/Forms> . The individual will need to describe, in detail, the circumstances that prevented him from registering (e.g., hospitalization, incarceration, military service) and provide documentation of those circumstances. The documentation should be specific as to the dates of the circumstances.

**Status Information Letter**

If the Status Information Letter indicates that an individual was not required to register for the Selective Service, then he is eligible to enroll in a WIOA-funded service. If the Status Information Letter indicates that the individual was required to register and did not register, he is presumed to be disqualified from participation in WIOA-funded activities and services until it can be determined that his failure to register was not knowing and willful. All costs associated with grant-funded services provided to non-eligible individuals may be disallowed.

An individual may obtain a Status Information Letter from the Selective Service if he:

- Believes he was not required to register; or
- Did register but cannot provide the appropriate documentation.

**How to Determine “Knowing and Willful” Failure to Register**

(Documentation and Model Questions)

If the individual was required but failed to register with the Selective Service, as determined by the Status Information Letter or by his own acknowledgement, the individual may only receive services if he establishes by a preponderance of the evidence that the failure to register was not knowing and willful. The grantee, subgrantee or contractor that enrolls individuals in WIOA-funded activities, and is thereby authorized to approve the use of WIOA grant funds, is the entity responsible for evaluating the evidence presented by the individual and determining whether the failure to register was knowing and willful.

**Documentation**

Evidence presented may include the individual’s written explanation and supporting documentation of his circumstances at the time of the required registration and the reason(s) for failure to register. The individual should be encouraged to offer as much evidence and in as much detail as possible to support his case. The following are examples of documentation that may be of assistance in making a determination in these cases:

- Service in Armed Forces. Evidence that a male has served honorably in the U.S. Armed Forces such as a Form DD-214 or his Honorable Discharge Certificate. These documents serve as evidence that his failure to register was not knowing and willful.

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- Third Party Affidavits. Affidavits from parents, teachers, employers, doctors and others concerning reasons for not registering may help grantees in making determinations in cases regarding willful and knowing failure to register.

**Model Questions**

In order to establish consistency regarding the implementation of the requirement, local areas should consider the following questions as a model when determining whether a failure to register is knowing and willful.

In determining whether the failure was “knowing,” authorized organizations should ask:

- Was the individual aware of the requirement to register?
- If the individual knew about the requirement to register, was he misinformed about the applicability of the requirement to him (e.g. veterans who were discharged before their 26th birthday were occasionally told that they did not need to register)?
- On which date did the individual first learn that he was required to register?
- Where did the individual live when he was between the ages of 18 and 26?
- Does the status information letter indicate that Selective Service sent letters to the individual at that address and did not receive a response?

In determining whether the failure was “willful,” authorized organizations should ask:

- Was the failure to register done deliberately and intentionally?
- Did the individual have the mental capacity to choose whether or not to register and decided not to register?
- What actions, if any, did the individual take when he learned of the requirement to register?

Finally, a participant’s claim of ignorance (e.g. “I did not know...”) regarding Selective Service registration requirements should not suffice as enough evidence to make a determination if his failure was knowing and willful. Ask him for more evidence to support his claim.

**Results of Findings**

If an authorized organization determines that an individual’s failure to register with the Selective Service was not knowing and willful and the individual is otherwise eligible, services may be provided. However, if the authorized organization determines that evidence shows that the individual’s failure to register was knowing and willful, WIOA services must be denied. Individuals denied services must be advised of available WIOA grievance procedures. Authorized organizations must keep documentation related to evidence presented in determinations on Selective Service.

(Adopted PY 14-15)

(Revised PY 16-17)

**Services and Referrals to Victims of Human Trafficking Policy**

**EFFECTIVE DATE: July 1, 2019**

**POLICY**

Employment is an essential step in integrating victims of trafficking into society.

**BACKGROUND**

Trafficking in persons affects millions of individuals worldwide. Individuals may be lured into trafficking networks through false promises of good working conditions and high pay as domestic, factory and farm workers, childcare workers, wait staff, sales clerks, models, or other occupations. Others are kidnapped. Many victims of trafficking may remain undetected because strategies used by the perpetrators isolate victims and prevent them from coming forward. Additionally, many victims of trafficking do not self-identify and may be unaware of resources and services that are available to assist them. The DOL plays a role in the U.S. Government's efforts to combat human trafficking. These methods include:

- Identifying and seeking restitution for unpaid labor performed by victims of trafficking;
- Providing training and employment services to victims of trafficking who qualify for those services, and helping them to become self-sufficient;
- Funding research and technical assistance to combat the worst forms of child labor overseas; and
- Maintaining lists of goods, including their countries of origin that are made using forced labor or forced child labor. See: [https://www.dol.gov/sites/default/files/documents/ilab/reports/child-labor/findings/TVPRA\\_Report2016.pdf](https://www.dol.gov/sites/default/files/documents/ilab/reports/child-labor/findings/TVPRA_Report2016.pdf)

**POLICY AND PROCEDURES**

America's Job Center of California/WorkSource Center staff is being asked to review and recognize the characteristics of human trafficking, and refer those individuals to the proper authorities and resources, provide employment and training services, and offer information and referral to other wraparound services or law enforcement.

**Definitions**

Section 103(8) of the TVPA defines the term 'severe forms of trafficking in persons' as:

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- Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or
- The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

Employment is an essential step in integrating victims of trafficking into society, and therefore, America's Job Center of California/WorkSource Center Staff is reminded that they can assist trafficking victims in the following ways, as applicable:

**Recognize the characteristics of victims of trafficking and refer individuals to proper authorities and resources:**

Many victims of trafficking do not self-identify. It is important for America's Job Center/WorkSource Center staff to recognize the characteristics of potential victims of trafficking and refer them to the proper authorities and resources. The following are ways in which to identify potential victims of trafficking:

- The potential victim does not possess identification and/or travel documents.
- The potential victim appears to be coached on what to say to law enforcement and immigration officials.
- The potential victim was recruited for one purpose and forced to engage in some other job.
- The potential victim's salary appears to be being garnished to pay off a smuggling fee. (Note: Paying off a smuggling fee alone is not considered trafficking.)
- The potential victim appears to have been forced to perform sexual acts.
- The potential victim does not appear to have freedom of movement.
- The potential victim and/or his or her family have been threatened with harm if the victim attempts to escape.
- The potential victim has been threatened with deportation or law enforcement action.
- The potential victim has been harmed or deprived of food, water, sleep, medical care, and/or other life necessities.
- The potential victim cannot freely contact friends or family.
- The potential victim is a juvenile engaged in commercial sex.
- The potential victim is not allowed to socialize or attend religious services

For information about hotlines that frontline staff can call to get help for potential victims, refer to the U.S. Department of State's trafficking hotline list at <http://www.state.gov/j/tip/id/domestic/>.

If an individual is under immediate threat or states that they are in danger, staff should call 911.

**Provide employment and training services:**

United States citizens or lawful residents who are victims of trafficking can receive the same America's Job Center of California/WorkSource Center services that are provided to the general public under WIOA. Specifically, Section 188(a)(5) of the WIOA further prohibits discrimination against certain non-citizens and indicates that participation in programs, activities, and receiving funds shall be available to citizens and nationals of the U.S., lawfully admitted permanent resident aliens, refugees, and parolees, and other immigrants authorized by the Attorney General to work in the U.S. Also, this is discussed under Section 107(b) of the TVPA where it is indicated that certain foreign nationals are also eligible for WIOA services. This includes:

- Victims of a severe form of trafficking in persons, or
- Individuals granted a nonimmigrant "T" visa.

The T nonimmigrant Status (T visa) is available to individuals who are, or have been victims of human trafficking, and protects these victims of human trafficking by allowing them to remain in the U.S. to assist in an investigation or prosecution of human trafficking. Additional information about T visas and the Department of Health and Human Services (HHS) certification process can be found in TEGL 19-01 Change 1. Individuals who are granted T visas from the Department of Homeland Security are also eligible for WIOA I services.

For purposes of being eligible for WIOA services, as a victim of a severe form of trafficking:

- Individuals 18 years of age or older must have been subjected to an act or practice described in the definition of "severe forms of trafficking in persons" and have received a letter of certification issued by the HHS 22 U.S.C. § 7105(b)(1).
- Children under 18 years old who have been subjected to a severe form of trafficking need not be certified by HHS to be eligible for services; instead, HHS issues Letters of Eligibility to victimized children of trafficking. As with any participant, they must meet all applicable program eligibility requirements to receive WIOA services.

Employment and training services for victims of trafficking should follow the same procedures and case management processes as given to other America's Job Center of California/WorkSource Center customers. However, in the case of victims of trafficking, services may need to be tailored and adapted to match the particular needs of this population. For instance, victims of trafficking may have Limited English Proficiency (LEP), criminal records (e.g. prostitution), or limited resumes.

Victims of trafficking who have LEP will likely require referrals to courses in English as a

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Second Language (ESL) in order to enhance job readiness. America's Job Center of California/WorkSource Center staff should work with local training providers and community colleges to find ESL course offerings, as needed. The TEGL 26-02 ("Publication of Revised Guidance Regarding the Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons") and TEN 14-05 ("Release of On-Line Training Resources and Census Data on Limited English Proficiency Individuals in Local Workforce Areas and a translatable Glossary of Workforce Terms") provide some resources and guidance on working with LEP persons.

**Offer information and referral to other wraparound services and/or law enforcement:**

In most cases, victims of trafficking will approach America's Job Center of California/WorkSource Centers toward the end of their rehabilitation process and will have already been working with other nonprofit organizations and governmental agencies.

In the event that the victim has not yet received services, it is important for America's Job Center of California/WorkSource Center staff to be aware and utilize local resources and service providers, particularly non-profit organizations that provide services to trafficking victims. Service providers for trafficking victims can also refer or accompany their clients to the nearest America's Job Center of California/WorkSource Center when they are ready for employment and training services.

A description of available services for victims of trafficking offered either directly by federal agencies or provided by local service providers with funding from the U.S. Government can be found in the "Services Available to Victims of Human Trafficking A Resource Guide for Service Providers" at <http://www.acf.hhs.gov/programs/orr/resource/services-available-to-victims-of-human-trafficking>.

If no local service providers are known, the National Human Trafficking Resource Center (NHTRC) at 1-888-3737-888 can help determine best steps for assisting the individual.

(Adopted PY 14-15)

(Revised PY 18-19)



## **Veterans Gold Card Participation Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY**

The Gold Card provides unemployed post 9/11 veterans with intensive and follow-up services they need in today's job market. The Gold Card Initiative is a joint effort of the Department of Labor's Employment and Training Administration (ETA) and the Veteran's Employment and Training Service or (VETS). WorkSource Center staff will guide eligible veterans to "Gold Card" services.

### **BACKGROUND**

On August 5, 2011 the President directed the Department of Labor to launch a new initiative called the Veterans Gold Card Initiative. This initiative enables post 9/11 Veterans to receive customized priority job search services through One Stop Career Centers. Veterans are provided Gold Card Certificates through the Transition Assistance Program and through the E-benefits portal administered by the Department of Veterans Affairs and Department of Defense (a central access point to online benefits and relates services). Veterans are also able to download the Gold Card by visiting [www.whitehouse.gov/vets](http://www.whitehouse.gov/vets). The Gold Card will entitle post 9/11 veterans to a range of priority services at their local One Stop Career Centers. Including:

- Job Readiness assessment, including interviews and testing. Six months of personalized case-management services provided by Disabled Veterans Outreach Specialist, Local Veterans Employment Representatives and other One Stop Staff.
- Development of Individual Development Plan (IDP). Career guidance through group and individual counseling to help veterans make training and career decisions.
- Career guidance through group or individual counseling that helps veterans in making training and career decisions. Provision of labor market, occupational, and skills transferability information to inform education and training decision.
- Provision of labor market, occupational, and skill transferability information that inform educational, training, and occupational decisions. Explanation of GI Bill benefits.
- Referral to job banks, job portals, and job openings.
- Referrals to employers and registered apprenticeship sponsors.
- Referrals to training by WIOA funded or third party service providers. Referrals to training opportunities.
- Monthly follow-up by an assigned case manager for six months. Assessment, including interviews, testing, employment preparation, and direct placement.

- United States Department of Labor, Veterans Employment

## **PROCEDURES**

The procedures for guiding veterans to these services are as follows:

- Intake staff shall inform veterans inquiring about Gold Card services, or who may be Gold Card eligible, of the available enhanced services described above.
- Intake staff will determine veteran status as they currently do, but will have to determine post-9/11 status. Local staff may be able to make this determination using their existing process or may have to add a verification step. If a new step is required, local EDD staff and their partners will determine how to best accommodate this change.
- If determined eligible, the veteran will be scheduled for an initial appointment with an EDD Disabled Veterans' Outreach Program (DVOP) specialist, EDD Local Veterans' Employment Representative (LVER) staff, or One-Stop Career Center staff that will provide the enhanced services. LVER staff will also continue to provide employer outreach services.

Veterans will meet with their assigned case manager (CM) (who may be a DVOP, LVER or other staff in the One-Stop Career Center) to complete appropriate enrollment documents in order to receive Gold Card services. The CM will provide the appropriate assessment and career guidance necessary to prepare an EDP with the client. Based on the individual client needs, the CM will provide the veteran with appropriate services, such as resume development, referral to training, and job referrals. The final step during the initial meeting will be to confirm an appointment date and time for a follow-up meeting within 30 days. At the conclusion of the meeting, the CM will create the case management record for annotating pertinent information on the veteran's occupational goals that will then be used for employer outreach to develop job opportunities. The CM is encouraged to utilize the services and expertise of other staff to deliver the necessary services. The CM will provide follow-up services at least once every thirty days for Gold Card clients until they're employed or for at least six months if the veteran remains unemployed.

All EDD and One-Stop Career Center staff should familiarize themselves with the expectations for the provision of Gold Card services.

(Adopted PY 14-15)

(Revised PY18-19)

## **WDB and EWDD Support of Grant Applications Policy**

EFFECTIVE DATE: July 1, 2019

### **POLICY STATEMENT**

This policy serves as a guide for organizations requesting letters of support from the City of Los Angeles Workforce Development Board (WDB) and/or the Economic and Workforce Development Department (EWDD) for workforce related grants. Additionally, this policy provides specific parameters that the WDB and EWDD will utilize in making determinations to provide those letters.

### **BACKGROUND**

The City of Los Angeles WDB and EWDD receive requests for letters of support, partnership agreements and/or memorandums of understanding (MOU) for various workforce-related grant applications. There may be instances when the WDB and EWDD will compete for the same grant opportunity along with the organization(s) requesting the letter of support, partnership agreement or MOU. On occasion, multiple organizations may seek the same grant opportunities and related support. This policy is intended to set parameters in determining under which circumstances the WDB and EWDD letters of support, as well as the level of commitment, should be provided.

### **PROCEDURES**

A Requestor must make the request for the support letter to the Resource Development Unit (RDU) staff by written correspondence (via email) **a minimum of ten business days in advance**. The requestor must detail and demonstrate the intent to collaborate with the WDB and WDB supported organizations (i.e. Workforce Development System, YouthSource,), as appropriate. In addition, the request must include the following information:

- Grantor Agency, Program Name and Nature of the Grant
- Time period of Grant (including an evaluation period)
- Intention for collaboration with the WDB
- Proposed funding amount
- Proposed Grant partners
- Program Design
- Program Abstract or Executive Summary

The RDU will be responsible for processing and tracking letters of support. As such, advanced notice is required (a minimum of ten business days) in order to allow staff sufficient time to review the request, coordinate with WDB and/or executive staff to ensure the proposal is in alignment with the WDB and EWDD's mission. Upon the receipt and review of the required grant abstract or executive summary, RDU will obtain

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the necessary approvals to release the letter of support.

The WDB and EWDD will provide letters of support to organizations submitting workforce related grant applications, (including occasions when the City may be submitting competing applications) only under the following circumstances:

- If the City is included as a partner in the proposal with an intent to enter into a formal MOU reflecting the partner roles/responsibilities; The proposer is a current contractor within the City's Workforce Development System;
- If the proposer is not a current contractor, then the Requestor's proposed program design should reflect integration with the City's Workforce Development System.

As a supporter of and/or partner in the proposer's grant application, the WDB and EWDD will request successful awardees to report back regarding the status of the grant and proposed program as soon as notification is made by the funder.

(Adopted PY 12-13)

(Revised PY 18-19)

## Youth Eligibility Policy

EFFECTIVE DATE: July 1, 2019

### POLICY STATEMENT

This policy provides guidance to youth contractors on how to establish participant eligibility for youth enrolled under the Workforce Innovation and Opportunity Act (WIOA).

### BACKGROUND

The WIOA seeks to strengthen the workforce development system through innovation, alignment and improvement of employment, training and education programs in the US by promoting individual and national economic growth.

### PROCEDURES

To be eligible to participate in activities carried out under WIOA during any program year, an individual shall, at the time the eligibility determination is made, be an in-school or out-of-school youth as defined below.

An **in-school youth** is defined as follows:

- Attending school, including secondary and postsecondary school (as defined by State law);
- Not younger than age 14 or (unless an individual with a disability who is attending school under State law) older than age 21;
- A low-income individual; and
- One or more of the following:
  - Basic skills deficient.
  - An English language learner.
  - An offender.
  - A homeless individual, a homeless child or youth a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677), or in an out-of-home placement.
  - Pregnant or parenting (custodial and non-custodial parent including non-custodial fathers).
  - A youth who is an individual with a disability.
  - An individual who requires additional assistance to complete an educational program or to secure or hold employment.

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An **out-of-school** youth is defined as:

- Not attending any school (*not including Title II Adult Education, Job Corps, Youth Build, high school equivalency programs,, non-credit bearing postsecondary classes, dropout reengagement programs, or charter schools that provide instruction exclusively in partnership with WIOA, Federally-funded Youthbuild programs, federal Job Corps training or instruction, California Conservation Corps, or a state certified local conservation corps*);
- Not younger than age 16 or older than age 24; and
- One or more of the following:
  - A school dropout.
  - A youth who is within the age of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter.
  - A recipient of a secondary school diploma or its recognized equivalent who is a low-income individual and is:
    - basic skills deficient; or
    - an English language learner
  - An individual who is subject to the juvenile or adult justice system.
  - A homeless individual or a runaway.
  - An individual in foster care or has aged out of the foster care system, a child eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677), or in an out-of-home placement.
  - An individual who is pregnant or parenting (custodial and non-custodial parent including non-custodial fathers).
  - An an individual with a disability.
  - A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment.

The City was awarded two waivers from the DOL to increase the amount of service dollars being spent on the disconnected youth population. In-school youth enrolled under this waiver do not count against the 25 percent in-school youth enrolment and fiscal expenditures allowance. The criteria are:

- A current resident of the City of Los Angeles;
- Eligible to work in the United States of America
- In compliance with Section 3 of the Military Selective Service Act (Males only)

**REFERENCES**

- A homeless individual as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)),
- a homeless child or youth (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)),
- a child eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677)
- California Education code, Title 2. Chapter 3, section 47612.1
- WIOA Section 129 (a).
  - SPECIAL RULE.—For the purpose of this subsection, the term “low-income,” used with respect to an individual, also includes a youth living in a high-poverty area.
  - EXCEPTION AND LIMITATION.
    - EXCEPTION FOR PERSONS WHO ARE NOT LOW-INCOME INDIVIDUALS.—
    - (i) DEFINITION.—In this subparagraph, the term “covered individual” means an in-school youth, or an out-of- school youth who is described in subclause (III) or (VIII) of paragraph (1)(B)(iii).
    - (ii) EXCEPTION.—In each local area, not more than 5 percent of the individuals assisted under this section may be persons who would be covered individuals, except that the persons are not low-income individuals.
    - (B) LIMITATION.—In each local area, not more than 5 percent of the in-school youth assisted under this section may be eligible under paragraph (1) because the youth are in-school youth described in paragraph (1)(C)(iv)(VII).

(Adopted PY 15-16)

(Revised PY 18-19)

## **Administrative Cost Limitation Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This Policy provides a definition and information related to Administrative Costs and limitations to their expenditure as set forth and defined in the Workforce Innovation and Opportunity Act (WIOA) 20 CFR Part 683.215. The City has implemented this policy and established a lower administrative costs cap for all its WIOA- and other Workforce-related- funded service providers.

### **BACKGROUND**

The costs of administration are expenditures incurred by the City of Los Angeles Workforce Development Board, one-stop operators, and other service providers that are associated with the functions described in the following paragraph and that are not related to the direct provision of workforce investment services. These costs can be both personnel and non-personnel and both direct and indirect.

The costs of administration are costs associated with performing the following functions:

- Overall general administrative functions and coordination of those functions under title I of WIOA:
  - Accounting, budgeting, financial and cash management;
  - Procurement and purchasing;
  - Property management;
  - Personnel management;
  - Payroll;
  - Coordinating the resolutions of findings arising from audits, reviews, investigations and incident reports;
  - Audit;
  - General legal services;
  - Developing systems and procedures, including information systems, required for these administrative functions; and
  - Fiscal agent responsibilities;
- Oversight and monitoring responsibilities related to WIOA administrative functions;
- Costs of goods and services required for administrative functions of the program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space;
- Travel costs incurred for official business in carrying out these administrative activities; and



- Costs of the information systems related to administrative functions.

Additional Guidelines:

- Awards that are solely for the performance of administrative functions are classified as administrative costs.
- Personnel and related non-personnel costs of staff who perform both administrative functions and programmatic activities must be allocated as administrative or program costs.
- Specific costs charged to an overhead or indirect cost pool that can be identified directly as a program cost are to be charged as program cost. Documentation of such charges must be maintained.
- Continuous improvement activities are charged as administrative or program based on the purpose or nature of the activity to be improved.
- Costs of the following information systems including the purchase, systems development, and operational costs are charged as program:
  - Tracking or monitoring of participant and performance information;
  - Employment statistics information, including job listing information, job skills information, and demand occupation information;
  - Performance and program cost information on eligible training providers, youth activities, and appropriate education activities;
  - Local area performance information; and
  - Information relating to supportive services and unemployment insurance claims for program participants.
- Where possible, all entities must make efforts to streamline administrative services to reduce administrative costs by minimizing duplication and effectively using information technology to improve services.

**PROCEDURES**

WorkSource and YouthSource Centers and all other service providers, including those funded by non-federal and City funds, must track and report administrative costs,

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including the administrative component of indirect costs recovered using an approved indirect cost rate, incurred during the contract period. The total administrative costs must not exceed the administrative cap set forth in the City contract and/or approved budget, generally set at 4% of the total allocation. Any administrative costs in excess of the administrative cap will be disallowed or subject to repayment.

**REFERENCES:** 20 CFR Part 683.215

(Approved PY 16-17)

(Revised PY 19-20)

## Apprenticeship Policy

EFFECTIVE DATE: July 1, 2019

### POLICY STATEMENT

This policy provides guidance and establishes the procedures regarding the use of *Workforce Innovation and Opportunity Act* (WIOA) funds for individuals in occupations with available apprenticeships, including pre-apprenticeship training. It is the shared vision of the City of Los Angeles Mayor, City Council, and Workforce Development Board (WDB) to have a robust apprenticeship policy that leads the nation in apprenticeship development, placement, and outcomes.

### BACKGROUND

Both the Workforce Innovation and Opportunity Act (WIOA) and the California State Unified Plan (SUP) promote the “earn and learn” training model, which the SUP defines as “using training and education best practices that combine applied learning opportunities with material compensation while facilitating skills development in the context of actual labor market participation.” This definition is echoed in Senate Bill 342 (H.B. Jackson, Chapter 507, Statutes of 2015).

The State of California issued draft directive WSDD-178 in late March 2018, entitled “Quality Apprenticeship and Pre-Apprenticeship Opportunity.” WSDD-178 applies to Local Workforce Development Boards (WDB) and Local Workforce Development Areas, and includes only state-imposed requirements.

In 2011, Assembly Bill (AB) 554 modified California Unemployment Insurance Code (CUIC) Section 14230(e) to require Local WDBs to ensure that WIOA-funded programs and services involving apprenticeships and pre-apprenticeships are coordinated with apprenticeship programs already approved by the Department of Industrial Relations-Division of Apprenticeship Standards (DIR-DAS) under specific conditions, and include the fostering of collaboration between community colleges and approved apprenticeship programs.

Other specifications include increasing the representation of women in pre-apprenticeship programs in the building and construction trades; following Multi-Craft Core Curriculum (MC3) in building and construction; and providing the apprenticeship and pre-apprenticeship programs and services geared toward the geographic location of the apprenticeable industries.

### POLICIES & PROCEDURES

The Economic and Workforce Development Department’s Apprenticeship Policy will emphasize the following key principles:

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- Build a robust apprenticeship program (which includes non-traditional industries) across the Los Angeles Region;
- Leverage strategic partnerships with the WorkSource Center (WSC) and YouthSource Center (YSC) systems, businesses/corporations, economic development organizations, sector intermediaries, community colleges, K-12, trade unions/associations, State and local government, and government workforce groups, as well as develop key partnerships with the Department of Corrections to service the re-entry population, and with The Department of Industrial Relations-Division of Apprenticeship Standards and the Department of Labor;
- Implement an apprenticeship program that will include participation across City departments to ensure stated goals are met Citywide;
- Actively promote to and enroll eligible candidates from the City's WSC and YSC programs.

Per WSDD-178, the Local WDB must follow the guidelines in CUIC Section 14230(e), which include conducting the WIOA-funded apprenticeship programs and pre-apprenticeship training "in coordination with one or more apprenticeship programs approved by the Division of Apprenticeship Standards for the occupation and geographic area." Additionally, a policy must be developed regarding "fostering collaboration between community colleges and approved apprenticeship programs in the geographic area to provide pre-apprenticeship training, apprenticeship training, and continuing education in apprenticeable occupations through the approved apprenticeship programs."

Furthermore, per CUIC Section 14230(e), WIOA-funded apprenticeships and pre-apprenticeship training must, "to the maximum extent feasible," align with and follow MC3, and work to increase representation of women in pre-apprenticeship training.

WSDD-178 also notes that Local WDBs "must establish the following:

- WIOA funded programs are operated in coordination with at least one DIR-DAS approved apprentice program in the relevant geographic area for the relevant apprenticeable occupation.
- WIOA funded pre-apprenticeship training in the building and construction trades utilize the MC3 curriculum.
- Pre-apprenticeship program operators funded with WIOA have a plan detailing, in writing, how they will conduct outreach to and ensure the retention of women in the pre-apprenticeship program."

Local WDBS are also required by WSDD-178 to:

- Retain a list of all programs they work with, noting which ones are WIOA-funded and "who the relevant DIR-DAS approved apprentice programs are for the

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relevant geographic area and occupations, and the manner in which the WIOA funded apprentice and pre-apprentice programs are coordinating with the relevant programs”;

- Retain “a copy of all written outreach and retention plans developed to meet the statutory and policy mandates detailed in this policy directive. Local Boards may be required to submit the foregoing information as part of their Local Plans and any future High Performance Board Certifications.”

**REFERENCES**

- *WSDD-178 on [http://www.edd.ca.gov/Jobs\\_and\\_Training/pubs/wsdd-178.pdf](http://www.edd.ca.gov/Jobs_and_Training/pubs/wsdd-178.pdf)*
- *Senate Bill 342 (H.B. Jackson, Chapter 507, Statutes of 2015)*
- *WIOA, Public Law 113-128*
- *California Unemployment Insurance Code Section 14230(e)*
- *Assembly Bill (AB) 554, Chapter 499, Statutes of 2011*
- *AB 2288, Chapter 692, Statutes of 2016*
- *Title 8 regulations, California Apprenticeship Council, Chapter 2, “Subchapter 1. Apprenticeship” (Sections 200-242.6), at <https://www.dir.ca.gov/t8/ch2sb1.html> (Note: Sections 204, 211, 214, 216, 217, 219, 220 through 223, 225 [Article 8], 226, 231.1 through 231.4, 233, 234, and 242 [Article 12] have been repealed)*
- *Department of Labor, <https://www.dol.gov/apprenticeship/>*

(Adopted PY 18-19)

(Revised PY 19-20)

## **Authorization to Work Verification Requirements**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This policy provides the guidance and establishes the procedures regarding verifying authorization to work and making services accessible to all populations.

### **BACKGROUND**

The federal procedures for verifying an individual's authorization to work are included in Title 8 CFR, Section 274a.2. This section specifies that the requirements published in the USCIS Form I-9, Employment Eligibility Verification, are to be used in verifying and documenting that an individual is authorized to work in the United States.

In 1993, the passage of SB 733 created a state-imposed eligibility requirement for WIOA and WPA services. The law required verification of an individual's citizenship status or authorization to work in the U.S. prior to providing employment services. Additionally, it required America's Job Center of California<sup>SM</sup> (AJCC) locations to publicly post that only U.S. citizens and those authorized to work in the U.S. could receive services.

In 2016, Governor Brown signed AB 2532, which repealed these requirements. Therefore, California no longer has a state requirement to verify authorization to work. Additionally, there is no work authorization verification requirement in WIOA. However, the federal Immigration Reform and Control Act requires employers to verify a job seeker's authorization to work documents prior to employment. At the same time, federal immigration regulations authorize state employment agencies to verify authorization to work (Title 8 CFR Section 274a.6).

Generally, WIOA participants receive job referrals during their period of participation in a program. Additionally, at times Local Areas are the employer of record or coordinating services concurrently with an employer. In these instances, an individual cannot participate unless they are authorized to work to the U.S.

For these reasons, this Policy provides guidance on verification of authorization to work documents, including which services require verification, when to ask, and where to refer individuals for additional services. This Directive also provides a pathway to services for those individuals who do not possess authorization to work documents. The WDB seeks to prohibit discrimination and make workforce services accessible to all populations.

### **POLICY AND PROCEDURES**

Authorization to work verification is not required for Basic Career services that are self-service or information-only activities. For customers who receive self-service or information-only activities, only demographic information is collected and reported.

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WorkSource and YouthSource Center staff providing WIOA employment services must verify an individual's authorization to work in accordance with the requirements of the USCIS Form I-9, Employment Eligibility Verification. As specified in the Form I-9, staff must accept as evidence of employment authorization, any of the documents listed on the last page of Form I-9. <https://www.uscis.gov/i-9> Individuals may present any List A document or a combination of a List B and a List C document. To view frequently asked questions regarding acceptable Form I-9 documents, see the State of California Employment Development Department (EDD) Workforce Services Directive 13-1 (WSD 13-1), Attachment 1, *Questions and Answers – Authorization to Work Verification*. To view representative images of acceptable Form I-9 documents, see WSD 13-1, Attachment 2, *Samples of Acceptable Documents for Authorization to Work Verification*. When verifying authorization to work, staff must retain either hard copies or scanned copies of the individual's Form I-9 documents. However, staff are strongly encouraged to scan authorization to work documents into CalJOBS. Scanning documents into CalJOBS facilities a one-time verification process should an individual visit a different America's Job Center of California<sup>SM</sup> (AJCC).

Possessing authorization to work documents is not only critical for individuals to participate in workforce and training programs, but to fully integrate into society and the local economy. Often vulnerable populations who are legally authorized to work in the United States such as the homeless, ex-offenders, and transient youth lack physical copies of authorization to work documents due to their circumstances. AJCCs are strongly encouraged to enroll such individuals and use supportive services to help the individual obtain authorization to work documents. Supportive services such as legal aid are available to participants enrolled in Basic Career, Individualized Career, or Training services. For participants enrolled in Training services, supportive services may include needs related payments to help cover the cost of obtaining or renewing authorization to work documents.

Staff will also not need to verify the citizenship or authorization to work status for an individual receiving WPA services (alone). If an individual is co-enrolled in WPA and WIOA services at the time of determination for WIOA individualized career or training services, staff should follow the WIOA procedures outlined above. Staff may not require UI claimants to present I-9 documentation in order to receive EDD reemployment services. As a result, UI claimants do not need to bring photo identification or employment authorization documentation to RESEA, IAW, or PJSA appointments. Since the EDD UI Branch has already verified a claimant's right to work during the benefit eligibility process, it is sufficient for RESEA, IAW, and PJSA attendees to establish their identity and attendance through self-attestation. As long as the name the claimant states matches the name staff has for the appointment, identity is considered to have been verified. This process will ensure maximum participation and avoid turning away individuals who do not have photo identification with them at the time.

**REFERENCES**

<https://www.uscis.gov/i-9>

Employment Development Department (EDD) Workforce Services WSD 13-1 and WSD-18-03

(Adopted PY 14-15)

(Revised PY 19-20)



## **Certification Policy and Procedures**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

Certification of WorkSource and YouthSource general contractors (henceforth known as contractors) by the Workforce Development Board (WDB) requires they be successful in meeting annual contract performance goals.

### **PROCEDURES**

#### **Certification Guidelines**

Contractors shall be certified by the WDB, on an annual basis, through a formal performance evaluation.

The WDB shall not fund any organization as a contractor that is not certified.

If a contractor has its certification revoked, their agreement with the City will be allowed to expire at the end of the program year (typically June 30), unless extenuating circumstances, as identified by the Department, support an earlier termination date. The intent of this guideline is to allow for the uninterrupted provision of services to customers that are actively participating in the program.

Extenuating circumstances that could result in the immediate termination of an agreement may include, but are not limited to, poor performance, or confirmed organizational findings of fraud and abuse.

In the event a contractor fails to meet certification standards, Department staff shall prepare a report to the WDB regarding the impact of contract termination on the community, together with recommendations to either terminate services or identify a replacement center operator.

A contractor may appeal the denial of certification. An Appeals Board shall be established in accordance with the Workforce Investment Board-Local Elected Official (WDB-LEO) agreement to hear such appeals.

The Department shall present certification recommendations to the WDB Policy and Oversight and Executive Committees, prior to convening an appeals hearing.

Replacement center operators shall be selected from a list of qualified organizations identified through a formal bid process or Department staff may assume center operations. EWDD may consider replacement operator(s) based on bids' proposed area of service and/or final score.

A de-funded contractor will be removed from any existing list of qualified replacement center operators and may only be reinstated through a future competitive bid process.

### **Performance Evaluation**

Evaluations will be conducted annually at the completion of the program year, evaluating results for the entire 12 months. Additionally, a Six Month progress report will be prepared.

Contractors will be evaluated in four categories:

- Customer Satisfaction
- Performance Outcomes
- Customer Flow
- Administrative Capability (Financial, Human Resources & Organizational Effectiveness)

Success rates for performance measures compare actual performance with performance goals. Generally, success rates are expressed as a percentage and are computed by dividing actual performance by the performance goal.

The Department may develop criteria to recognize outstanding performance.

Evaluation results and certification recommendations will be compiled by the Department and presented to the appropriate WDB Committee(s) following the end of the program year.

### **Local Certification**

At minimum, a contractor must attain 80 percent or more of each measure within the Annual Performance Evaluation. A contractor not attaining an 80 percent success rate shall provide a corrective action plan. A Contractor that fails to attain an 80 percent success rate for the same measure within the Performance Outcomes category for two consecutive annual evaluations may have its certification revoked.

### **State Certification**

In accordance with WIOA Section 121(g), Local Boards must conduct an independent and objective evaluation of the AJCCs in their Local Areas once every three years using criteria and procedures established by the State Board. The initial AJCC certification process was conducted during Program Year (PY) 2017-18 and took effect PY 2018-19.

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**Annual Performance Evaluation Measures - Measures may include, but are not limited to:**

**1. Satisfaction**

Measure	WorkSource	YouthSource
a. Customer Satisfaction (intercept/telephone)	X	X
b. Exiter Satisfaction (telephone)	X	

**2. Outcomes (Products & Services)**

a. Employment Rate (WSC)/ Employment/Education Rate (YSC) 2 <sup>nd</sup> Quarter after exit	X	X
b. Employment Rate (WSC)/ Employment/Education Rate (YSC) 4th Quarter after exit	X	X
c. Median Earnings 2 <sup>nd</sup> Quarter after exit	X	X
d. Attainment of a Postsecondary Credential, or secondary school diploma (or equivalent) if employed/in education or training for postsecondary credential.	X	X
e. Measurable Skills Gains	X	X
f. Number of Enrolled and/or Exited Customers (including Hard to Serve Adults for WorkSource)	X	X
g. Percentage of Out-of-School Youth Served		X

**3. Flow (Customers Served)**

a. Number of Customers Served	X	
b. Number of Employer Customers	X	
c. Number of walk-in customers (served through system of support, not enrolled in WIOA)		X
d. Total number of youth receiving educational assessments from the PSA Counselor		X
e. As implemented by the LAUSD PSA Counselors, a system goal for the number of out-of-school youth meeting with PSA Counselors who return to school		X
f. Minimum number of enrollments by December 31.	X	X

**4. Administrative Capability/Annual Plan Priorities**

a. Assessment of contractor administrative practices related to work performance, timeliness, communication, human resources and ethics.	X	X
b. Assessment of fiscal capability, including any audit issues.	X	X
c. Expenditure of a minimum 42% of funding on training (may include up to an amount equal to 14% of funding in approved leveraged resources)	X	

(Adopted PY 04-05)

(Revised PY 18-19)

**Conflict of Interest Policy**

**EFFECTIVE DATE: July 1, 2018**

**POLICY STATEMENT**

The City's Agreement(s) and Directives prohibit Contractors from allowing employees who work in a decision-making capacity from engaging in any activity, including participation in the selection, award, or administration of a sub-grant or contract where there is a conflict of interest, either real or perceived. Additionally, no employees shall be allowed to be members of its Board of Directors if the employee receives any financial benefit from the City Agreement.

**BACKGROUND**

The Economic and Workforce Development Department (EWDD) is funded by several grant sources, each with different regulations related to prohibiting conflicts of interest. The City is required to apply conflict of interest laws cumulatively, meaning the strictest law is what controls a given situation.

All Contractors are required to ensure that none of its directors, officers, employees, or agents shall participate in selecting, or administering any sub-contract supported (in whole or in part) by City funds (regardless of source) where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:

1. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract; or
2. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
3. The participation of such person would be prohibited by the California Political Reform Act, California Government Code §87100 et seq. if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.
4. Definitions:
  - The term "immediate family" includes but is not limited to domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law.
  - The term "financial or other interest" includes but is not limited to:

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- Any direct or indirect financial interest in the specific contract, including a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.
  - Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.
  - A subcontract is any agreement entered into by Contractor for the purchase of goods or services with any funds provided by this Agreement.
5. Minutes of Board Meetings must reflect disclosure of transactions where Board Members may have had a direct or indirect interest/benefit in the action.
  6. No director, officer, employee (or agent) of the Contractor may be on the Board of Directors if they receive any financial benefit provided by any City Agreement.
  7. The Contractor further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement, (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).
  8. The Contractor shall not subcontract with a former director, officer, or employee within a one-year period following the termination of the relationship between said person and the Contractor.

**PROCEDURES**

All new contractors will be provided a copy of the City's current Code of Conduct/Policy on Conflict of Interest and required to adopt or provide documentation of compliance with requirements of the City's Code of Conduct via Board Resolution. City staff will provide all new contractors with standardized Board Resolution forms that need to be completed by the Contractor as part of conditions precedent to execution of a contract. Upon discussion and adoption of the City's Code of Conduct/Policy on Conflict of Interest by the Board of Directors, the Contractor shall complete the required forms and return them to their assigned program monitor for further review.

The City will not execute any Agreements and/or Amendments with Contractors where an employee (an individual who is paid or receives any financial benefit from funds from

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the Agreement with the City), is a member of the Board of Directors. The Board minutes must reflect this requirement.

All Contractors/Sub-Contractors are required to notify the City immediately upon discovery that a potential conflict of interest situation exists or may come into existence due to upcoming contractual/business dealings prior to each year's execution of a new City Agreement or Amendment.

If an existing or pending conflict of interest situation(s) is not brought to the attention of the City prior to execution of the Agreement or Amendment, and subsequent audit or monitoring visits determine that a conflict of interest does exist, the City will **NOT** approve a Contractor/Sub-Contractor's request for waiver/exception of the conflict of interest. Further, the City will question and may disallow any and all costs associated with the conflict of interest.

All exceptions/waivers to conflicts of interest that have been previously granted must be reviewed before execution of a new City funded Agreement or Amendment.

**REFERENCES**

EWDD WDS Directive No. 17-08 Policy on Conflict of Interest, §x STANDARD PROVISIONS, subsection "x". The section and/or subsection number may vary dependent on program; Refer to "Conflict of Interest" in table of contents within EWDD Contract.

Political Reform Act – Gov. Code Section 87100 et seq Conflict of Interest

(Adopted PY14-15)

(Revised: PY 19-20)

## Fiscal Monitoring Review Policies and Procedures

EFFECTIVE DATE: JULY 1, 2019

### POLICY STATEMENT

This policy establishes procedures for the performance of a fiscal review and resolution of any subsequent findings and observations.

### POLICY

The Economic and Workforce Development Department (EWDD) awards federal, state, and local grants to for-profit and non-profit organizations (Subrecipient). It is the policy of the department to conduct desk review and on-site fiscal reviews to determine the subrecipient's compliance with federal, state, local, and city grant regulations, including the requirements for pass-through entities of the 2 CFR 200.331(d) and the audit requirements of the 2 CFR 200.500 to 200.521, and ensure the resolution of any findings and questioned and/or disallowed costs.

The EWDD's Financial Management Division (FMD) Audit Section is responsible for conducting the fiscal reviews of subrecipients. The objectives of the fiscal reviews are to determine if:

- Funds are used for allowable activities,
- Expenditures are appropriately allocated to funding sources and required cost categories,
- Proper fiscal records are maintained and are auditable,
- Grant regulations and contract provisions are complied with, and
- Corrective actions from prior fiscal reviews and audits are being implemented.

### PROCEDURES

#### Preparation for Fiscal Review

##### **Scheduling of the Site Visit**

The FMD Auditor must coordinate with the subrecipient to schedule the field work. The date should be scheduled at least **ten business days** prior to the start of the field work to allow the subrecipient to prepare for the visit.

Once the dates have been confirmed, the FMD Auditor must send an appointment letter to:

- Confirm the dates of the site visit,

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- Inform the subrecipient of records that should be ready and available for review, and
- Send a fiscal review checklist that must be completed and submitted by the subrecipient on or before the Entrance Conference.

**Preparation for the Field Work**

Prior to the field work, the FMD Auditor must perform a desk review as part of the fiscal review by reviewing the following:

- Contracts,
- Prior Year's Fiscal Review Reports,
- Latest Single Audit report,
- Prior Year Closeout Expenditure Reports,
- Latest Expenditure Report,
- Approved Budget,
- Latest Indirect Cost Rate Proposal,
- Program Monitoring Report,
- Invoice Payment Analysis
- General Ledger and Expenditure Report Reconciliation ,
- Documentation of sampled expenditures if any, and
- Others, as necessary.

**Field Work**

The length of the field work ranges from **five to twenty business days**, depending on the size, complexity and structure of the organization, the availability and auditability of fiscal records, and the number of contracts and fiscal years to be covered.

**Entrance Conference**

The entrance conference is the initial meeting with the subrecipient staff and starts off the field work. At this meeting, the following must be discussed:

- Objectives of the fiscal review,
- City contract(s) and fiscal year(s) to be covered,
- Planned on-site field work dates,
- Fiscal review procedures that will be performed and the standard timeline,
- Financial records to be reviewed,
- Completed Fiscal Review Checklist,



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- Any changes in the subrecipient's accounting system, fiscal personnel, etc.
- Subrecipient's other non-City funding sources,
- If preferred by the subrecipient, the assignment of a Single Point of Contact (SPOC) or contact persons for specific areas of the review,
- Requests for FMD Auditor working space, and
- Other questions and concerns the subrecipient may have.

It is preferable that the subrecipient's Executive Director attend the Entrance Conference in order to ensure full cooperation from staff most familiar with the internal control system and financial transactions. At the minimum, the subrecipient's Chief Financial Officer and senior accounting staff should attend the meeting.

**Review**

The FMD Auditor should conduct the review immediately after the entrance conference and perform the fiscal review procedures as discussed during entrance meeting. During the review, the FMD Auditor must:

- Make every effort to minimize the disruption to the subrecipient's daily operations by scheduling interviews in advance and by coordinating requests for information and documentation in an organized and clear manner;
- Prepare Requests for Documentation for additional records or supporting documentation needed. Issue a Notice of Insufficient Documentation if documentation requested is incomplete or not received within three business days;
- When deemed necessary, offer or provide technical assistance on financial related matters such as grant regulations, proper internal controls, EWDD's financial reporting requirements, cost allocation, cost allowability, indirect cost proposals, fiscal monitoring, Single Audit, etc.;
- Follow-up on any outstanding desk review and prior year fiscal review findings and Single Audit issues and/or deficiencies.

**Exit Conference**

The exit conference concludes the field work. At the meeting, the FMD Auditor must provide the subrecipient with an Exit Report that lists all preliminary findings and discuss the following:

- Elements of each preliminary finding --- i.e., criteria, condition, cause, effect, and recommendation,
- Any questioned costs,
- Additional information and/or supporting documentation the subrecipient can provide to resolve preliminary findings and questioned costs and when these should be submitted (See Section III-A),

- 
- Implication of questioned costs becoming disallowed costs and the process for repayment to EWDD,
- The process for using stand-in costs, and
- Timetable for issuance of draft and final reports.

### **Draft Report**

#### **Pre-Issuance of Draft Fiscal Review Report**

Within **five business days** after the date of the exit conference, the subrecipient must be allowed to:

- Submit additional information and/or supporting documentation to resolve any potential findings, as agreed upon at the Exit Conference or
- Submit a written request and justification for an extension to the deadline, subject to the review and approval of the FMD Audit Section head.

#### **Issuance of Draft Fiscal Review Report**

The FMD Auditor must issue the draft fiscal review report within **ten business days** from the date of the exit conference, the submission of the additional information and/or supporting documentation or the extended deadline.

The draft fiscal review report will include the following:

- Subrecipient's background information,
- City Contracts, funding sources and period covered by the fiscal review,
- Findings and resulting questioned costs, if any, that were not resolved during the field work and pre-issuance period,
- Applicable federal and State grant regulations and directives (e.g., 2 CFR 200) and City contract provisions that were violated, if any,
- Supporting schedules,
- Recommended corrective actions,
- Status of Prior Year's Fiscal Review findings,
- Status of Single Audit report deficiencies and findings,
- Other matters of concern, and
- Deadline for the Contractor to submit a written response to each finding.

## Final Fiscal Review Report

### **Pre-Issuance of Final Fiscal Review Report**

Upon issuance of the draft fiscal review report, the subrecipient has **fifteen business days** to submit a written response. During this fifteen-day period, the subrecipient may request for a meeting if necessary and/or if assistance is needed. If no written response is received from the subrecipient by the 10<sup>th</sup> business day, the FMD Auditor must make a follow-up on the status. If additional time to respond is needed, the subrecipient must send a written request and justification, at least **five business days** before the deadline and subject to the review and approval of the FMD Director.

### **Issuance of Final Fiscal Review Report**

The FMD Auditor must issue the final fiscal review report within **ten business days** after receipt of the subrecipient's response. If no response was received from the subrecipient, the FMD Auditor must issue the final fiscal review report within **three business days** after the subrecipient's response was due.

The final fiscal review report must include all information included in the draft fiscal review report **plus** the following:

- Subrecipient's response (or lack of) to the findings,
- Status of findings and any changes in recommended corrective actions based on subrecipient's response,
- Amount of unearned grants and/or disallowed costs, supporting computations, and instructions on how to return funds to EWDD,
- Sanctions that may be imposed (e.g., withholding of cash request), and
- Other areas of concern.

### **Distribution of the Final Fiscal Review Report**

The final fiscal review report must be sent to the subrecipient's Executive Director and/or Chief Finance Officer. If findings include serious internal control deficiencies, fraud, substantial questioned costs, going concern issues, and program-related findings, copies of the final fiscal review report must be sent to the following:

- EWDD Program Operations Divisions Director,
- EWDD Program Operations Assistant General Manager,
- EWDD EDD Director
- EWDD EDD Assistant General Manager.

## Final Determination and Resolution of Findings

Upon issuance of the final fiscal review report, the subrecipient has **ten business days** to submit a written response to the remaining outstanding issues. The FMD Auditor

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must send the subrecipient a reminder letter if a written response is not received **three business days** before the due date.

If the subrecipient requests a meeting with the EWDD’s Executive Management, the FMD Director must:

- Advise the subrecipient to contact the EWDD’s Assistant General Manager, and
- Brief the EWDD’s Assistant General Manager of unresolved issues.

Within **ten business days** from the date the written response is due or received from the subrecipient, the FMD Auditor must issue a final resolution report that includes the subrecipient’s additional responses and the FMD Auditor’s final determination/resolution and recommended corrective actions, including the following:

- Reason(s) justifying the final determination/resolution for each finding,
- Questioned costs resolved and the reason(s) for allowance,
- Disallowed cost and the reason(s) for disallowance,
- Instructions for the repayment of disallowed costs,
- Instructions on how to request for installment payment arrangement for the disallowed costs,
- Sanctions that will be imposed for non-payment,
- Subrecipient’s rights under the WIOA Complaint Resolution Procedures, and
- Other areas of concern.

**Summary of Timeline**

<b>Task</b>	<b># of Business Days</b>
Preparation for field work	5
Field work	20
Draft fiscal review report – including review of additional supporting documentation	15
Subrecipient response	15
Final fiscal review report	15
Subrecipient response to remaining outstanding findings	10
Final determination and resolution letter	10
<b>Total # of business days</b>	<b>90</b>

**Subrecipient's Appeal Rights**

If the subrecipient disagrees with FMD Final Fiscal Review Determination/Resolution Report, it may exercise its appeal rights in accordance with the rules and regulations applicable to the grant affected. In the case of WIOA, the City of Los Angeles Workforce Investment Opportunity Act (WIOA) Complaint Resolution Procedures shall be followed. In such case, the FMD Final Fiscal Review Resolution shall constitute the Initial Determination. Accordingly, fiscal review resolution shall follow the three part process under the WIOA Complaint Resolution Procedures

**Payment of Disallowed Cost**

If the subrecipient agrees with the findings and the related questioned costs or if the disallowed costs have been finally determined under the City and applicable grant's resolution procedures, the subrecipient shall pay the questioned and /or disallowed costs as follows:

- Issue a check payable to the City of Los Angeles - EWDD.
- Apply stand-in costs in accordance with the conditions set forth below.
- Request for a repayment plan to the Director, EWDD Financial Management Division and comply with the approved repayment plan.

Upon notice to the subrecipient, the EWDD may withhold questioned or disallowed costs from amounts due to the subrecipient pending resolution or payment of questioned or disallowed costs.

**Stand-In Costs**

A subrecipient may propose the use of stand-in costs to substitute for questioned or disallowed costs during the audit resolution process. To be acceptable, the stand-in cost must meet the following criteria:

- It must be incurred for allowable program costs that have not been charged to the program.
- The cost must be included within the scope of the audit, accounted for in the subrecipient's financial system, and adequately documented as all other program costs.
- It must have been expended in support of the same title and program year as the costs they propose to replace.
- It must not cause a violation of the cost limitations and must be actual expenses paid with nonfederal funds.
- The proposal to replace disallowed costs with stand-in costs must be submitted before the end of the informal resolution period.

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- Stand-in costs may not be considered as a substitute for disallowed costs for which non-federal cash repayment is required.

**REFERENCES**

2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;

2 CFR 2900 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards – Department of Labor;

2 CFR 200 Sub Part D - Post Federal Awards Requirements- Subrecipient Monitoring and Management;

2 CFR 200.331 Requirements for Pass-thru Entities;

Workforce Innovation and Opportunity Act, Subtitle E- Administration, Section 185(f) Reports; record keeping; investigations.

City Contract, Section 608 Audits and Inspections.

(Adopted PY 18-19)

(Revised PY 19-20)

## **Procurement Guidelines for EWDD**

**EFFECTIVE DATE: JULY 1, 2019**

### **POLICY STATEMENT**

The purpose of these procedures is to ensure that all procurement conducted by the Economic and Workforce Development Department (EWDD) is conducted in accordance with established federal, state, and local guidelines, and that all procurement is conducted in an ethical, legal, consistent, and timely manner. These procedures shall serve as guidelines both for EWDD and for EWDD-funded subrecipients.

### **BACKGROUND**

Procurement provides EWDD with the mechanism to identify organizations that have the integrity, business ethics, financial, personnel and physical plant resources, demonstrated ability and the overall potential ability to deliver the services solicited by EWDD in a timely manner and at a reasonable price. It will also ensure the avoidance of the purchasing of unnecessary or duplicate items or services.

### **PROCEDURES**

#### **Management of Procurement**

Procurement shall be managed by EWDD's Procurement and Contract Development (PCD) staff. If procurement is conducted by other staff in EWDD, documents that are identified in the "Maintenance of Records" section of these Guidelines shall be submitted to PCD to be maintained in the Procurement Central Files.

#### **Authority to Procure**

City Council and Mayor approvals are required to conduct any procurement (with the exception of transactions of less than \$25,000 for which the EWDD General Manager has the authority to execute, and Workforce Innovation and Opportunity Act (WIOA) transactions of less than \$250,000 for which only Workforce Development Board (WDB) approval is required.)

A request to the City Council and the Mayor for approval to conduct procurement shall be prepared in the form of a Committee Transmittal Report. The draft procurement document shall not be included with the transmittal.

#### **Lease vs Purchase Consideration**

The decision to lease or buy personal property should be governed by considerations of economy. Consideration for leasing may differ by property type and according to market conditions. The length of contract period of the lease should also be considered. Leasing with an option to purchase is generally preferable to straight lease.

#### **Methods of Procurement**

Within the context of open competition, there are five methods by which agencies may

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procure goods and services (micro-purchase, small purchase, sealed bids, competitive proposals, and non-competitive proposals). For a transaction of less than \$150,000, the small purchase method may be used. However, the sealed bid and competitive proposal may also be selected. For transactions of \$150,000 or more, the sealed bid or competitive proposal must be used.

**Micro-Purchase Procurement** – This method shall be used for the purchase of goods or services, the aggregate dollar amount of which does not exceed \$10,000. To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the entity considers the price to be reasonable.

Anticipated Price

Required Action

Up to \$10,000

May be awarded without quotes if the entity considers the price to be reasonable

**Small Purchase Procurement** – This method shall be used for the purchase of goods or services up to \$250,000:

Anticipated Price

Required Action

\$10,000 to \$25,000

Two documented quotations

\$25,001 to \$250,000

Three or more written quotations

Quotations must be solicited from vendors that can reasonably be expected to provide the goods or services needed. Such quotations should include vendor contact information, and a description of the goods or services being offered.

For small purchases between \$10,000 and \$25,000, two or more documented quotes must be obtained. A memorandum to file, signed by EWDD staff, that identifies the quotations by date, source, quantity, time of performance, and all other requirements of the goods and/or services sought shall serve as sufficient documentation.

For small purchases between \$25,001 and \$250,000, a Request for Quote (RFQ) must be used. The RFQ shall be provided in writing (including fax or e-mail) to the vendors and should specify the quantity, time frames, and all the requirements of the product or services being sought. Three or more written quotes must be obtained with this method. All responses shall be in writing. A memorandum to file that identifies the selection process, the written solicitation, and all written responses shall serve as sufficient documentation.

For all quotations, the lowest price estimate shall serve as the primary criteria for selection. If the selected proposers did not offer the lowest price, justification must be incorporated into the memorandum to file documenting the criteria for selection and the relevance of the criteria to the need and benefit.



Proper documentation for a small purchase includes:

- The reason for selecting the small purchase method.
- An estimate of the potential purchase price.
- A description of the goods or services being purchased, including the quantity and any additional criteria used to determine the procurement decision. A copy of the RFQ would suffice.
- All providers contacted/considered and the prices offered using current catalogs, price lists, prior sales receipts, or formal quotes depending on the amount of the purchase.
- Why the provider was selected, including how the provider met any additional criteria, and the price analysis.
- Copy of the purchase document (sales receipt, contract).

**Sealed Bids** – This method shall be used when the nature of the good or service to be purchased will be more than \$250,000 and can be precisely defined. Sealed bids shall be solicited publicly for a fixed-price contract through an Invitation for Bids (IFB). The IFB will be publicly solicited or advertised through newspapers, local advertising and trade papers. The IFB defines the quantity, timeframes, and product requirements. Vendors are notified of the purchase requirements and submit a sealed bid to a specified location by a specified date and time. The bids are then opened at a specific date and time. A diligent effort should be made to secure at least three competitive bids. The responsible bidder (a bidder that can meet the technical requirements of the procurements), that submits the lowest bid is usually awarded the contract. Any bidder that falls outside of the parameters will normally have their bid rejected. Award of a firm fixed-price or fixed unit price contract by written notice is sent to the lowest responsible bidder. If only one bid is obtained and that bidder is deemed to be responsible, then the noncompetitive or sole source process may be used. Contract offers shall be made to the most responsible bidder whose bid conforms to all of the material terms and conditions of the IFB and is the lowest price.

Proper documentation for a sealed bid purchase includes:

- The reason for selecting the sealed bid method.
- An estimate of the potential purchase price.
- A copy of the IFB.
- Bids received.
- Determination of the responsibility of the bidder.
- Why the provider was selected.
- Copy of the award document.

## **IFB versus RFP**

The IFB is used when there is a clear understanding of the project requirements, scope of work and technical specifications. The Request for Proposal (RFP) is used in cases where the specific requirements and technical specifications of a project are of a functional nature or unclear. The RFP then provides a guideline for potential proposers to use in preparing a bid/proposal.

**Competitive Proposals (RFP)** – This method shall be used for procurements in excess of \$250,000 when the nature of the goods or services to be acquired cannot be defined as required by the sealed bid method; and specifically, when factors other than price are important in the selection decision. Competitive proposals shall be managed through a RFP process with the objective to offer a fixed-price or cost-reimbursement type of contract.

The RFP must indicate the scope of work, the deadline for receipt of proposals and the appeals process. The RFP will be made available on the City's Business Assistance Virtual Network (LABAVN). A bidders' conference will be held to allow interested parties to have any questions answered. Bidders are required to submit their proposals to a specified location by a specified date and time. Each RFP is reviewed and evaluated as to the merits of the proposal. This review includes a cost reasonableness analysis. There should be a documented methodology for technical evaluation of each proposal. Careful documentation of the successful bidder selection should be maintained for reference. A public notice of intent to award is issued, and followed by the award, and the execution of the contract. If only one proposal is obtained and that proposal is deemed to be responsible, then the noncompetitive or sole source process may be used.

Proper documentation for a competitive proposal purchase includes:

- The reason for selecting the competitive proposal method.
- An estimate of the potential purchase price.
- A copy of the RFP.
- Bidders' conference questions and answers.
- Bids received.
- The scoring criteria and the evaluation/scoring sheets for each proposal, including determination of the responsibility of the bidder and the cost analysis.
- Why the provider was selected.
- The public notice of intent to award.
- Copy of the award document.

**Non-Competitive Proposals (Sole Source)** – This method of procurement may be used only when the award of a contract is not feasible under Small Purchase Procedures,

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Sealed Bids or Competitive Proposals, and one of the following circumstances applies:

- The goods and/or services are available only from a single source; or
- The public exigency or emergency need for the goods and/or services is too immediate to undergo the competitive solicitation process, and the procurement is for a limited time only; or
- The awarding agency (e.g., State of California, U.S. Department of Housing and Urban Development, U.S. Department of Labor) authorizes the specific non-competitive procurement (upon a formal request for approval); or
- After the solicitation from a number of sources, the competition is determined inadequate.
- This method of procurement requires written justification for provider selection, a cost analysis and City Attorney approval. All of which must be carefully documented and maintained.

Proper documentation for a sole source purchase includes:

- The reason for selecting the sole source method, including why the procurement was infeasible under one of the other procurement methods and which of the additional sole source conditions the procurement met.
- An estimate of the potential purchase price.
- A determination of the responsibility of the bidder and the cost analysis.
- Why the provider was selected.
- Copy of the award document.

To the greatest extent possible, this method of procurement shall be avoided.

**Piggyback Method** – This method of procurement may be used when an organization has been procured by another federal, state, local agency, or City department within the past two years and EWDD seeks to contract with that organization for comparable services. In this instance, EWDD shall secure and retain copies of the other agency's procurement document, a detailed summary of the procurement process, elected official approval of the procurement process and selection. EWDD shall prepare written justification for such action and secure City Attorney approval.

EWDD may authorize a funded subrecipient to use a vendor that has been procured by the City without requiring a further procurement process.

**Request for Qualifications** – This method of procurement may be used when EWDD is seeking to establish a list of qualified organizations that provide highly specialized or technical services. By establishing the list of qualified organizations, EWDD or its subrecipients may elect to contract with one or more of the organizations on an "as needed" basis.

### **Cost Analysis versus Price Analysis**

A cost or price analysis must be performed with the method and degree of analysis dependent on the facts surrounding the particular procurement situation. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.

As a starting point, grantees must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of their estimated cost (e.g., under professional, consulting, and architectural engineering services contracts). A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders. A cost analysis may not be necessary if one can establish price reasonableness on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other circumstances to determine the reasonableness of the proposed contract price. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts.

### **Competition**

To the greatest extent possible, procurement shall be conducted in a manner that provides full and open competition. The following are examples of requirements that are restrictive of competition and must be avoided:

- Placing unreasonable requirements on firms or organizations as conditions to qualify to do business.
- Requiring unnecessary experience or excessive bonding.
- Imposing non-competitive pricing practices between firms or organizations, or between affiliated companies or organizations.
- Granting non-competitive awards to consultants that are on retainer contracts.
- Organizational conflicts of interest.
- Specifying only “brand name” products.
- Imposing overly restrictive specifications.
- Imposing any arbitrary action in the procurement process.

### **Procurement Cycle**

Funding of an organization through any one of the procurement methods shall be for a period of up to four years.

### **Development and Release of Procurement Document**

PCD shall designate a Procurement Coordinator for each procurement process. It shall be the responsibility of the Procurement Coordinator to ensure compliance with the

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procedures set forth herein, and to ensure that all procurement is conducted in a confidential manner.

A determination shall be made and concurred with by the City Administrative Officer (CAO) and the Personnel Department that the services to be procured cannot be performed by City staff, in accordance with Charter Section 1022.

The Procurement Coordinator shall ensure that no conflict of interest exists for any individual, firm, or organization participating in the procurement process.

Guiding principles and a procurement schedule shall be presented to the appropriate Commission or Board for comment and or approval.

EWDD shall prepare estimates of the cost of services to be procured. This shall include, but not be limited to, conducting a survey of the cost of comparable services, and preparing a budget with an accompanying narrative that reflects EWDD's best estimate of the cost of services to be procured.

Clear evaluation criteria and a standard proposal evaluation instrument shall be developed. At a minimum, all proposals shall be evaluated for Demonstrated Ability (requiring a minimum of two years of experience in providing comparable services), Program Design, and Cost Reasonableness.

The criteria for Demonstrated Ability shall neither favor nor discriminate against existing City contractors or entities that have not contracted with the City.

PCD will develop a worksheet or checklist for determining the eligibility and responsiveness of each proposal. If a proposer is found to be ineligible or non-responsive their proposal will not be scored.

PCD will submit the procurement document to the City Attorney for review and approval as to form and legality.

PCD will brief the EWDD General Manager on the procurement document and associated schedule on a regular basis.

PCD will work with the EWDD Information and Technology Division to issue public notification through an announcement in a local public medium, the EWDD webpage, the City's Early Notification System, LA Business Assistance Virtual Network (BAVN) at LABAVN.org, and other customary and reasonable means of notifying the public, advising of the release of the procurement document.

EWDD may request a mandatory Letter of Intent to Propose from potential proposers.

PCD will advise all EWDD staff of the release of the procurement document together with instructions that staff is prohibited from assisting any proposer in the preparation of a proposal; from discussing the process and/or the merits of any potential proposer with any third party; and to forward any unattended procurement documents left in common areas to the Procurement Coordinator.

All procurement documents shall remain open for a minimum of three (3) weeks from the date of release.

Any modifications and amendments to a procurement process will be publically noticed

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and incorporated into the procurement document through posting on the EWDD website.

A minimum of one (1) Bidders' Conference and or technical assistance session shall be conducted per procurement. The date, time and location of the session shall be included in the procurement document.

All technical assistance questions from potential proposers shall be posed either at the Bidders' Conference or through e-mail communication, and all responses provided by EWDD shall be shared with all potential proposers on the LABAVN.org website.

**Acceptance of Proposals**

One of two methods will be identified in the procurement document for the submission of proposals:

On-line Submission

All proposals must be completed and submitted per the instructions set forth in the procurement document using the on-line platform identified.

Proposals submitted by any other manner including those hand-delivered will not be accepted or considered for funding. Also, on-line submissions not meeting deadline, as set force in the procurement document, will have no standing for an appeal

Hard-Copy Submission:

One (1) week prior to the deadline for submission, all EWDD staff shall be advised of the proposal deadline and instructed to direct any proposers, attempting to submit proposals, immediately to the EWDD Front Desk staff for formal receipt and to be date and time stamped.

On the day of the deadline for the submission of proposals, as set forth in the procurement document, PCD staff shall be stationed to receive proposals. Such proposals shall immediately be stamped with the date and time of the receipt of each proposal.

Following the deadline for proposal submission, the receiving staff shall immediately deliver all date and time stamped proposals to the designated Procurement Coordinator.

Proposals not received by the deadline, as set forth in the procurement document, shall not be accepted.

**Review of Proposals**

The Procurement Coordinator shall coordinate the review and evaluation of proposals, and assign staff responsibilities.

PCD staff shall prepare and maintain a log that identifies all proposers, funds requested, collaborators, services to be provided, area to be served, number of individuals to be served, proposed outcomes, and any other elements of the proposal that shall serve as the executive summary of all proposals received.

PCD staff shall conduct an eligibility and responsiveness review to determine if each proposer is eligible to apply, including whether the proposer has been debarred by the

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State of California and whether all sections of the proposal have been completed as identified on the proposal checklist.

PCD staff shall ensure that each proposer has complied with the City's BAVN and Business Inclusion Program (BIP) requirements.

PCD staff shall review the documentation that all subcontractors identified in a proposal have been competitively procured by the proposer prior to submission of the proposal.

PCD staff shall be responsible for the review and evaluation of the non-narrative sections of the "Demonstrated Ability" and "Cost Reasonableness" categories of the proposals.

When possible, the review and evaluation of proposals shall be conducted by individuals ***independent of the City of Los Angeles***, who are experts in the subject matter of the procurement. All reviewers must be briefed on and acknowledge in writing that they will abide by the Conflict of Interest requirements described in the Code of Conduct section of this policy.

Formal training sessions shall be conducted for all individuals who are to review proposals by the Procurement Coordinator. Training materials shall include the procurement document, the evaluation instrument, and the conflict of interest declaration.

Raters shall be allowed up to two weeks in which to review proposals assigned to them.

Proposals shall be reviewed by a team of at least two raters with each to review proposals independently of one another and then coming together to form a single, consensus final evaluation score.

Each review team shall be assigned to review and evaluate multiple proposals that focus on specific communities, populations, or services. For example, a team would be assigned to review proposals submitted to serve the East Region while another team would review proposals submitted to serve the North Valley Region.

Consensus meetings for each review team shall be facilitated by EWDD staff. Meeting will result in a single consensus scoring document for each proposal which will be submitted to EWDD.

EWDD staff shall review all scores provided by the raters to ensure that there is consistency in the review of the proposals and that consensus has been reached by the raters.

The names of proposal raters shall be confidential as a means to protect raters from outside influence or retaliation in their review and evaluation of proposals. Under no circumstances are the names of proposal raters to be shared with the general public. EWDD is ultimately responsible for the final results.

For existing EWDD contractors, actual program performance shall be evaluated on the basis of past performance, as documented in records on file with EWDD.

To promote open competition, a Performance Verification form that allows non-City contractors to certify their demonstrated ability on performance measures that mirror those against which City contractors are evaluated shall be included, when appropriate.

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The certification shall include contact information of third parties that can verify the proposer's performance.

To the greatest extent possible, determination of cost reasonableness shall be an objective, quantitative evaluation.

All proposed costs shall also be reviewed to determine that they are allowable, allocable and necessary in keeping with federal, state and City procurement guidelines.

In conjunction of the Cost Reasonableness evaluation, reviewers shall conduct an analysis of the proposed contract price. This analysis shall include a comparison of each proposed contract price to: 1) all other proposals received; 2) current contract prices; 3) published market prices; 4) to EWDD's own cost estimate; and 5) various metrics such as the cost per individual served.

Proposed costs that cannot be accurately determined as a result of errors and/or omissions in preparation of the proposed budget shall not be considered reasonable and shall not be scored.

All proposed indirect costs shall be supported by a letter from the cognizant federal agency.

All proposed profit must be reviewed to determine that it is in accordance with Directives that are current for the proposed contract period.

To maintain the integrity of the process, a minimum of two (2) staff members shall review sections of proposals that cannot be reviewed by outside reviewers.

In the event that the EWDD Operations (OPS) notifies PCD of its intent to respond to a procurement issued by PCD, a clearly defined firewall must be established between PCD as the administrator of the procurement and OPS as the proposer.

The following actions shall be taken:

The EWDD General Manager and the Assistant General Managers of Workforce Development and Finance and Administrative Services shall be notified in writing of such intent;

EWDD Operations (OPS) staff shall be prohibited from participating, discussing, or inquiring of PCD staff in any way, regarding the development, review, and/or scoring of such proposal, with the exception of any publicly-held meeting of which the procurement and proposal are the subject; and

PCD staff and OPS staff, including the respective Assistant General Managers, are prohibited from engaging in any discussions regarding the procurement until the procurement review has been concluded and the scores have been formally released to the proposers and to the appropriate governing board.

In the event that a City Department notifies PCD of its intent to respond to a procurement issued by PCD, a clearly defined boundary must be established between PCD, as the administrator of the procurement, and the City Department as the proposer.



The following actions shall be taken:

- The EWDD General Manager and the Assistant General Managers of Workforce Development and Finance and Administrative Services shall be notified in writing of such intent;
- City Department staff shall be prohibited from participating, discussing, or inquiring of PCD staff in any way, regarding the development, review, and/or scoring of such proposal, with the exception of any publicly-held meeting of which the procurement and proposal are the subject; and
- PCD staff and City Department staff, including the respective Assistant General Managers, are prohibited from engaging in any discussions regarding the procurement until the procurement review has been concluded and the scores have been formally released to the proposers and to the CCFS, CAB and/or the WDB.

To be considered for funding, a proposal must receive a score of at least 70 percent of attainable points. However, a score of 70 percent, or more, is not a guarantee of funding. In addition, a high score does not necessarily guarantee funding.

EWDD shall reserve the right to determine that a procurement process has failed. The basis for failure may include: a lack of sufficient responses—and/or a lack of responses that meet the requirements of the procurement document.

In the event that EWDD determines that procurement has failed, EWDD shall notify all proposers of such determination in writing.

#### **Release of Results and Funding Recommendations**

All proposers shall be notified in writing signed by the Assistant General Manager of Workforce Development of the outcome of the procurement.

Funding Recommendation Letters shall include: 1) the score awarded; 2) the amount of funds being recommended to the proposer; 3) the right to appeal the procurement process, and 4) a caveat that the recommendations remain subject to approval by the appropriate governing board, City Council and Mayor, and are contingent upon the availability of funds.

The results of the procurement may be concurrently released to the appropriate governing board.

#### **Presentation of Scores and Funding Recommendations to Board**

PCD shall present the results of the procurement, including the scoring, to the appropriate committee on the governing board in a Funding Recommendation Report addressed to the relevant Board president.

The Funding Recommendation Report shall provide:

- The summary of the facts pertaining to the procurement

- The purpose of the procurement
- When the procurement was conducted
- The number of proposals received
- The method of evaluating the proposals
- The meeting(s) conducted with proposers
- The results of any appeals hearing(s)

The results of the procurement may be concurrently released to the proposers.

The relevant committee shall meet within a reasonable time following conclusion of the review process, and consider EWDD's recommendations.

### **Appeals Procedures**

Appeals shall be limited to issues arising from the procurement process only.

All proposers shall be advised of their right to appeal the procurement process.

For all WIOA-funded procurements, the Appeals Board shall be established in accordance with the WDB/LEO (Local Elected Official) agreement.

All Appeals Board hearings are public hearings; however, if necessary, a part of the meeting may be conducted in closed session. Closed sessions may be called during the course of a meeting or public hearing in order to allow the members to obtain advice from counsel. Members are not permitted to deliberate among themselves unless in an open, public session.

All Appeals Board members shall be provided with a copy of the procurement document, a copy of this document (Procurement Guidelines), a summary of facts regarding the specific procurement that includes a written summary of the procurement process, and each written appeal together with a departmental response.

In the Appeals Hearing, appellants shall have five (5) minutes to make their oral presentation that shall be followed by a question and answer period not to exceed fifteen (15) minutes at the discretion of the Board.

At the conclusion of the Appeals Hearing, the Board shall take one (1) of the following actions:

- Uphold the score awarded by EWDD; or
- Sustain the appeal and remand the proposal to EWDD with direction.
- For WIOA funded programs, the Appeal's Board decision shall be considered final.
- The results of the Appeals Hearing shall be compiled into a report and submitted to the executive committee of the appropriate commission or board.

### **Approval of Funding Recommendations by Commission and/or Board**

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Upon approval of the funding recommendations by the Executive Committee of the appropriate governing board, EWDD shall prepare a City Council Committee transmittal that outlines the procurement process and results.

In accordance with EWDD policy, all transmittals shall be executed by EWDD executive staff and the General Manager at the regularly scheduled transmittal meeting.

Transmittals that pertain to the use of WIOA funds shall be jointly addressed to the Mayor and City Council and signed by both the EWDD General Manager and the WDB Chair.

PCD shall draft an "Offer Sheet" to be issued to successful proposers. The Offer Sheet contains a summary of the services to be provided, the cost of such services, performance goals and the term of the agreement.

No proposer shall be recommended for funding if the State of California or the City of Los Angeles has established that there is a debt against a proposer that has not been repaid, or for which a repayment agreement has not been executed.

No proposer shall be recommended for funding that has been debarred, suspended or otherwise excluded from participation in federal assistance programs. All contracts shall include a self-certification by the subrecipient that it is not a debarred party. The federal government maintains the System for Award Management website ([www.sam.gov](http://www.sam.gov)) that can be searched for exclusion records.

Notwithstanding a designation of being "high risk," a proposer may be recommended for funding where there is documentation of the proposer's demonstrated ability to perform under the agreement.

High Risk is defined as having a demonstrated history of unsatisfactory performance, financial instability, poor administrative practices, or failure to comply with the terms and conditions of previously awarded agreements.

In the event a high-risk proposer is recommended for funding, special conditions shall be imposed and set forth in the agreement with the City. Such special conditions shall include:

- Compensation to the subrecipient solely on a cost-reimbursement basis with no opportunity for the receipt of advance payments for services performed.
- Requiring the subrecipient to subcontract with a third party to perform those duties and responsibilities that the subrecipient has a demonstrated inability to perform, or to secure technical assistance.
- Increased monitoring by the City and/or increased reporting by the subrecipient.
- Requiring prior approvals of personnel and other actions.

The subrecipients shall be advised of any special conditions included in the agreement prior to the execution of the agreement with the City, and the reasons for the imposition of such special conditions. The process for requesting the reconsideration or termination of such special conditions shall be set forth in the agreement.

### **City Council and Mayor Approval**

Upon approval by the City Council and Mayor of EWDD's funding recommendations under the procurement, PCD shall notify all proposers in writing of the final results of the procurement.

The letter shall include an offer to contract, a.k.a. the Offer Sheet, to the successful proposers.

The letter shall include a request that the successful proposer accept, in writing, the terms set forth in the Offer Sheet within five (5) days of receipt. If the successful proposer does not accept the terms, the proposer may request a meeting to negotiate the outstanding terms.

### **Contract Negotiations and Execution**

OPS is responsible for all contract negotiations and contract execution, in accordance with EWDD's Contracting Procedures.

### **Maintenance of Records**

EWDD shall maintain records documenting each procurement, including:

- A copy of the procurement document.
- The cost analysis, if applicable.
- The scoring instrument.
- A description of the scoring methodology.
- The public notice of release of the procurement.
- Technical assistance questions and answers.
- Copy of proposals.
- Copy of the letters notifying the proposers of their scores.
- A copy of the report to the governing authority seeking approval of the scores awarded.
- A copy of the materials provided to the Appeals Board, if convened.
- Copy of the letters notifying the proposers of the Appeals Boards' action(s) and their funding recommendations, if appeals process was required.
- A copy of the report to the governing authority advising of the Appeals Boards' actions(s) and requesting approval of the funding recommendations, if appeals process was required.
- A copy of the transmittal to the Council and Mayor documenting the procurement process and requesting approval of the proposal results, if necessary.

- A copy of the final City Council and Mayor action, if necessary.
- Copy of letters to the proposers notifying them of the City Council and Mayor approved action.

Such records shall be electronically archived and placed in a location that is accessible for monitoring and auditing purposes.

Records shall be retained for a minimum of three (3) years following termination of the agreement and after final disposition of pending matters. Pending matters include audits, litigation, and other business associated with the procurement process. EWDD shall consult with the City Attorney prior to the destruction of any records.

### **Public Records Requests**

Requests to review scoring instruments, the scores of other proposals, time and date stamp logs, or any other documents that are part of the procurement process must be submitted in writing in accordance with the California Public Records Act. The Communications Group of EWDD shall be notified any such request. EWDD shall seek City Attorney guidance prior to responding to any such requests.

### **Code of Conduct**

No staff of the Economic and Workforce Development Department (EWDD) who works in a decision-making capacity shall engage in any activity, including the participation in the selection, award, or administration of a sub-grant or contract where there is a conflict of interest, either real or perceived. A conflict of interest would arise where the EWDD staff member, any member of that person's immediate family, domestic partner, or organization that employs, or is about to employ, a member of the staff member's immediate family has a financial or other interest in the firm or organization competing for an award under an EWDD procurement.

The term "immediate family" includes those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father-in-law, mother-in-law, brother-in-law, son-in-law and daughter-in-law.

The term "financial or other interest" includes:

- Any direct or indirect financial interest in a specific contract including a commission or fee, a share of the proceeds, the prospect of a promotion or of future employment, a profit, or any other form of financial gain.
- Any of the following interests in the subrecipient ownership: a partnership interest or other beneficial interest of five (5) percent or more; the ownership of five (5) percent or more of stock; employment in a managerial capacity; or membership on the board of directors or governing body.

No EWDD staff member shall solicit or accept gratuities, favors, or anything of monetary value from proposers, subrecipients, potential subrecipients or parties to sub-agreements.

All Strategic Planning and Research section staff members that are assigned to participate in a procurement process shall participate in the City's ethics training program.

**Request for Proposals (RFP) Format**

The following shall serve as a general guideline for the content of a RFP document.

Cover Page – The cover page should identify the funding source, program, issuance date, submission deadline, anticipated term of contracts, submission address, and information on technical assistance.

Table of Contents – TOC should note all sections below along with identifying all exhibits, forms, appendices and attachments.

Background/Introduction – The background shall include a discussion of EWDD as the administrative entity for the RFP, a brief overview of the solicitation and the purpose.

RFP Specifications – This section shall include a discussion of the contract term, eligibility requirements, source of funds and funding request amounts, a preliminary schedule, the proposer's conference, technical assistance, deadline for submission, proposal review process, proposal award, and appeals process.

Program Design – This section shall include a discussion of the scope of the work solicited.

Evaluation Criteria – This section shall include an overview of the major proposal evaluation categories and maximum points possible for award.

Proposal Package – This section shall include a description of the narrative responses to be prepared by the proposer and general proposal preparation guidelines.

General Proposal Preparation Guidelines – This section shall include a discussion of specific required proposal guidelines including but not limited to:

- Overview – Guidelines for completion and submission of proposal
- Proposal Contents Checklist
- Required Documents Submitted with Proposal

General RFP and City Contracting Information – This section may include:

- Costs Incurred by Proposers
- Best Offer
- Alternatives
- Proposal Errors
- Waiver of Minor Administrative Irregularities
- Interpretations and Clarifications
- Optional Materials/Services
- Accuracy and Completeness

- Withdrawal of Proposals
- Addendum
- Representations
- Acceptance of Terms and Conditions
- Multiple Proposals
- Applicable Laws and Regulations
- Standard Provisions for City Contracts
- Standing of Proposer
- Proprietary Interests of the City
- Discount Terms
- Assurances

Additional RFP and City Contracting Information and Documents – This section may include:

- Municipal Lobbying Ordinance
- Contractor Responsibility Ordinance
- Equal Benefits Ordinance
- Living Wage and Service Contractor Work Retention Ordinance
- Nondiscrimination, Equal Employment Practices and Affirmative Action Program
- Slavery Disclosure Ordinance
- Americans with Disabilities Act
- Child Support Assignment Orders
- First Source Hiring Ordinance
- Federal Funding Accountability and Transparency Act Reporting
- Articles of Incorporation and By-Laws
- Resolution of Executorial Authority
- Bidder Certification City Ethics Commission (CEC) Forms
- Certification Regarding American Disabilities Act
- Business Inclusion Program Outreach
- Nonprofit Status Documentation from the Internal Revenue Service
- City Business Tax Registration Certificate
- Contractor Responsibility Ordinance (CRO) Questionnaire

- Equal Benefit Ordinance (EBO)
- Living Wage Ordinance (LWO)

Contract Execution Requirements – This section may include but is not limited to, the description of the following requirements:

- Insurance Certificates
- Corporate Documents
- City Business License Number
- Proof of IRS Number
- Certifications
- Affirmative Action Plan
- Collaboration
- Contracting Method/Payment for Services
- Program Income
- Contract Cost
- Records Retention
- Security Clearance and TB Testing
- Governing Law
- Commitment to Carry out All Contractor Responsibilities
- City Attorney Contract Approval
- Contractor Non-Performance
- Breach of Contract
- Amendments/Modifications/Change Orders
- Prime Contractor
- Subcontractors/Joint Ventures
- Copies of Subcontractor Agreements
- Supplier Performance Feedback Meeting
- Periodic Independent Audit
- Financial Audit
- Contractor Evaluation Ordinance

In drafting a Request for Proposals EWDD staff shall use the most recently released RFP as an exemplar. Given that City contracting requirements are subject to revision, the draft will always be reviewed by the City Attorney to ensure that it is current and accurate.



**REFERENCES**

OMB Memo #M-18-18, dated 6/20/2018

(Adopted PY 12-13)

(Revised PY 19-20)

## **Incident Reporting**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY STATEMENT**

The City of Los Angeles, Economic and Workforce Development Department (EWDD) has developed a procedure whereby upon being notified or finding any suspected incidents of Workforce Investment Opportunity Act (WIOA) related fraud, abuse, or other criminal activity, EWDD notifies the Compliance Review Division (CRD) of the Employment Development Department (EDD), the Department of Labor's (DOL) Office of Inspector General (OIG), the City of Los Angeles Office of the Controller (Controller) and Ethics Commission.

### **BACKGROUND**

Per Title 20 CFR Section 667.505 and 667.630, information and complaints involving criminal fraud, waste, abuse or other criminal activity must be reported immediately through DOL's Incident Reporting System to the OIG with a copy simultaneously provided to the Employment and Training Administration (ETA). Complaints of gross waste of funds, may also be reported through DOL's Incident Reporting System.

EDD Directive Number WSD12-18 remains in effect and applicable to WIA/WIOA funding until revised by EDD.

### **POLICY**

#### **First Tier Reporting**

As per EDD Directive number WSD12-18 (in effect till revised), all subrecipients that receive WIOA funds shall promptly report to the CRO and OIG, all allegations of WIOA-related fraud, abuse, and other criminal activity.

"Each subrecipient shall establish appropriate internal procedures to prevent and detect fraud, abuse, and criminal activity. These procedures must include a reporting process to ensure that the CRO and OIG are notified immediately of any allegations of WIA/WIOA-related fraud, abuse, or criminal activity. Internal procedures must be in writing and include the designation of a person on the subrecipients' staff who will be responsible for such notifications."

The City of Los Angeles, Economic and Workforce Development Department (EWDD) is a subrecipient referenced in EDD Directive WSD12-18 and maintains internal procedures in writing, to gather, respond/report and resolve complaints and/or any allegations of WIA/WIOA-related fraud, abuse, or criminal activity. EWDD enforces EDD Directive number WSD12-18 by requiring subrecipient contractors to comply with required reporting.

#### **Second Tier Reporting**

EWDD issued WDS Directive No. 19-16; Incident Reporting, dated January 17, 2019, which provides procedures for reporting incidents, including but not limited to criminal

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fraud, criminal abuse or other criminal activity, and noncriminal complaints, such as waste of WIOA funds, to the Economic and Workforce Development Department (EWDD), Compliance Review Office (CRO) of the Employment Development Department (EDD) and the Department of Labor's (DOL) Office of Inspector General (OIG).

The City's Contractors are advised by EWDD that all recipients of WIOA funds have the responsibility to be alert for, and report, any suspected fraud, abuse, or other criminal activity, or non-criminal activity, including gross waste of funds, mismanagement, and dangers to the public health or safety. In addition, all "lower tier subrecipients", (i.e. Workforce Development System Contractors) have the responsibility to the Office of Inspector General (OIG), the Employment Development Department (EDD) and Compliance Review Office (CRO), and their funding agency, e.g., City of Los Angeles LWIA/LWDA, to report all suspected incidents of WIOA related fraud, abuse, or other criminal activity immediately or within one workday of detection or discovery of information alleging fraud, abuse or criminal activity involving WIOA funds.

Additionally, Contractors are required to bring WDS Directive No. 19-16 to the attention of all WorkSource/YouthSource Center staff by providing a copy of the directive to all staff funded by WIOA and for them to also acknowledge receipt of the Directive by signing an acknowledgement receipt (See Exhibit I -).

**PROCEDURES**

Upon receiving information reporting suspected incidents of WIOA related fraud, abuse or other criminal activity, report the finding(s) as follows to:

**Report submission information:**

To the State of California Employment Development Department:  
Compliance Review Unit  
Program Review Branch  
Employment Development Department (EDD)  
722 Capitol Mall, MIC-22  
P.O. Box 826880  
Sacramento, CA 94280-001  
ATTENTION: Jessica Encarnacion, Chief  
Compliance Review Office

And, to the OIG (Choose one of the following methods) at its Web Site:

[www.oig.dol.gov/hotlinecontact.htm](http://www.oig.dol.gov/hotlinecontact.htm)

Or by mail to:  
Office of Inspector General  
Complaints Analysis Office  
United States Department of Labor  
200 Constitution Avenue, N.W., Room S-5506  
Washington, D.C. 20210  
Telephone: 1(800)347-3756

FAX: 1(202)693-7020

And, to the Economic and Workforce Development Department:

Equal Employment Opportunity Section

1200 W. 7<sup>th</sup> Street, 6<sup>th</sup> Floor

Los Angeles, CA 90017

Attn: Richard Cheng, EO Compliance Officer

Telephone: 1-213-744-9351

Allegations considered to be of an emergency nature may be reported by telephone to the Compliance Resolution Office Supervisor at 1-916-653-0298 and by calling the OIG Hotline at 1-800-327-3756 and **followed immediately thereafter by a written report.**

**REFERENCES:**

Title 20 Code of Federal Regulations (CFR) Sections 667.505 and 667.630

EDD Directive Number WSD12-18 dated June 12, 2013

**Attachments:**

Exhibit I – Acknowledgement of Responsibility to Report All Suspected or Proven WIOA Related Fraud, Abuse or other Criminal Activity, or Non-Criminal Activity

Approved PY14-15)

(Revised PY 19-20)

**EXHIBIT I – Incident Reporting**

**ACKNOWLEDGEMENT OF RESPONSIBILITY TO REPORT ALL SUSPECTED OR PROVEN WIA/WIOA RELATED FRAUD, ABUSE, OR OTHER CRIMINAL ACTIVITY, OR NON-CRIMINAL ACTIVITY.**

I, \_\_\_\_\_, understand that as an employee  
Name (Print)

who is being paid with (Workforce Investment Opportunity Act (WIOA) funding, I have the responsibility to report all suspected or proven WIOA related fraud, abuse, or other criminal activity, or non-criminal activity including gross waste of funds, mismanagement, and dangers to the public health or safety immediately, or within one working day of detection of the incident, to the Office of the Inspector General of the U.S. Department of Labor, Compliance Review Office of the State Employment Development Department, Workforce Development System, EWDD and declare that I have received a copy of the Economic Development Department, WDS Directive No. 19-16 (dated January 17, 2019) regarding Incident Reporting.

Signature: \_\_\_\_\_ Date Signed \_\_\_\_\_

WorkSource/YouthSource Center: \_\_\_\_\_

## Leveraged Resources Policy

EFFECTIVE DATE: July 1, 2019

### POLICY STATEMENT

This policy provides guidance to the City of Los Angeles One-Stop Operators on the distinction between Leveraged Resources that count toward the training expenditure requirements imposed by California State Senate Bill (SB) 734 as amended by California State Assembly Bill (AB) 1149, and those that are outside the scope of these bills. It also sets forth the reporting requirements for both types of leveraged resources.

### BACKGROUND

Leveraged resources are defined as federal and non-federal resources (cash contributions and in-kind contributions) used to support grant activity and outcomes that would normally be paid for using grant funds. Leveraged resources must be allowable and auditable under the WIOA program.

SB 734 imposed new training expenditure requirements on local Workforce Development Boards carrying out WIA/WIOA funded programs. Beginning in Program Year (PY) 2012-13, local boards were required to spend at least 25 percent of their Adult and Dislocated Worker WIA formula fund allocations on workforce training services. That requirement increased to 30 percent in PY 2016-17. A portion of the minimum training expenditure requirement (an amount of up to 10 percent of the Adult and Dislocated Worker formula fund allocation) may be met by applying designated leveraged resources used for training services. (See Training Expenditure Requirement Policy for additional information on training expenditure requirements related to SB 734 and AB 1149)

On January 31, 2019, the State of California Employment Development Department (EDD) issued Directive WSD 18-10 stipulating that the **State will only consider certain funds expended on training as a leveraged resource**. Attached to that Directive is a Summary of Training Leveraged Resources form to capture the leveraged training resources. The Training Leverage Resources form lists the twelve categories that EDD will accept.

The Economic and Workforce Development Department (EWDD) requires all One-Stop operators to report all leveraged resources, including those that do not count towards the Training Leverage Resources requirement.

EWDD issued Directive 12-23 on June 27, 2012 detailing the reporting requirements for both training leveraged resources, as well as those that do not count towards the training requirement. The Directive contained two forms; the EDD approved Summary of Training Leveraged Resources, and an internal EWDD form to capture all other leveraged resources.

## **PROCEDURES**

At the start of each fiscal year, which runs from July 1 through June 30, agencies are required to submit a Budget/Expenditure Plan that lists all planned leveraged resources separated by Cost Category.

Each month an agency needs to determine what resources were leveraged and report them on the Leveraged Resources forms required by City Directive, making sure that the preplanned leveraged amounts line up with any claimed in their budget.

Invoices are due to the Financial Management Division (FMD) of the EWDD no later than the 15<sup>th</sup> of the month for expenses incurred in the prior month. Agencies need to include both leveraged resource forms with the expense reports on the 15<sup>th</sup> of every month, even if no leveraging occurred that month.

One copy of the Summary of Training Leveraged Resources form should reflect leveraged resources for participants served as Adults, and one should reflect leveraged resources for participants served as Dislocated Worker, similar to the submission of expenditure reports each month that separate Adult and Dislocated Worker expenditures.

The EWDD form is set up to reflect the Cost Category in which the leveraging is occurring, which funding stream it's occurring in, the type, amount, and source of the leveraging, and the documentation to support the dollar amount.

Two copies of each form need to be **submitted each month**. One copy of each form needs to be submitted to FMD, and one copy of each form needs to be submitted to an agency's assigned budget/program analyst. FMD does allow invoices to be e-mailed prior to the actual signed copy submission, so if e-mailing FMD, an agency must copy their analyst. When the agency submits hard copies, one copy must also be sent to the analyst.

FMD will compile the data and make that information available for use in the agency's annual performance evaluation. This information will also be made available to the Operations Division to help program analysts track their agency's progress throughout the program year. Failure to conform to this requirement may adversely affect an agency's performance results.

## **REFERENCES**

SB 734 (DeSaulnier), Chapter 498, Statutes of 2011  
EDD Workforce Services Directive WSD 18-10  
AB 1149 (Arambula), Chapter 423, Statutes of 2017

(Adopted PY 15-16)

(Revised PY 19-20)

## **Limited English Proficiency Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY STATEMENT**

This policy provides guidance and sets standards for the City of Los Angeles Workforce Development System<sup>1</sup> (WDS) and other agencies serving Limited English Proficiency (LEP) individuals to ensure meaningful and timely access to Workforce Innovation and Opportunity Act (WIOA) funded programs and services.

For this purpose, no one will be denied access to information, services, or resources throughout the WDS because of their limited proficiency in the English language, or be subjected to unreasonable delays in the receipt of such services. A person can qualify as LEP if they are an adult or out of school youth, who has a limited ability to read, write, speak, or understand English, and a) whose native language is a language other than English; or b) who lives in a family or community environment where a language other than English is the dominant language.

### **BACKGROUND**

The WIOA requires programs receiving Federal financial assistance, nondiscrimination on the basis of national origin. Denial of equal access to federally funded programs and activities based on national origin, including LEP is strictly prohibited. This policy is pursuant to Section 188 of WIOA; Title VI of the Civil Rights Act of 1964; Executive Order 13166 "Improving Access to Services for Persons with Limited English Proficiency;" the Dymally-Alatorre Bilingual Services Act; and the U.S. Department of Labor (DOL) Training and Employment Guidance Letter 26-02.

### **POLICY**

#### *Language Assistance Plan:*

The Workforce Development System through its WorkSource and YouthSource Centers must develop a language assistance plan that is annually updated and submitted to the EWDD's LEP Coordinator by July 1<sup>st</sup> of each year for the upcoming program year. Failure to comply will impact contract compliance. The contents of the Language Assistance Plan must at a minimum consist of the following elements;

- Limited English Proficiency Language Assessment Survey

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<sup>1</sup> Workforce Development System includes the WorkSource Centers and the YouthSource /Youth Opportunity System



- LEP client policy
- Current demographics showing the number of LEP individuals requiring language assistance during the prior program year
- Description of language assistance tools (e.g. "I Speak" Identification Cards)
- List of vital documents available for dissemination to LEP persons
- Updated information identifying staff who are bi-lingual or multi-lingual. The Centers have two primary ways to provide language services: oral interpretation, either in person or via a telephone interpretation service, and written translation. The correct mix of language assistance services should be based demographic data reflected in the LEP Assessment, and on what is both necessary and reasonable.
- Local outreach efforts to increase LEPs' awareness of available resources.

*LEP Assessment:*

As the first key to ensuring meaningful access, each agency in the WDS will conduct a thorough annual assessment of the languages spoken by customers and potential customers in the communities it serves. In addition to identifying the current LEP makeup of the service areas, the Workforce Development System will also examine a) whether existing LEP resources and tools are adequate and, b) what improvements are needed to outreach to LEP populations that might be underserved relative to their proportion in the service area. A questionnaire shall be emailed by the City to all WSCs by June 1<sup>st</sup>.

For the WDS to properly assess the significant LEP population, the Workforce Development Board (WDB) promotes the use of the DOL's four factors to determine the language needs of an area<sup>2</sup>:

- The number or proportion of LEP persons served or encountered in the eligible service population--the greater the number or proportion of LEP persons in a language group, the more language services needed;
- The frequency with which LEP individuals come in contact with the program--higher frequency requires more services;
- The nature and importance of the program, activity, or service provided by the recipient; and

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<sup>2</sup> Department of Labor, Civil Rights Center, Federal Register, issued May 29, 2003, p.32294-32295.

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- The resources available to the recipient and costs--larger recipients with larger budgets must provide a higher level of language services

In assessing the first factor, consider any temporary but significant changes in the community's demographics. For example, in some communities, the population swells during peak vacation periods or seasonal influx for agricultural or manufacturing employment purposes.

The second factor, frequency of contact, should be considered in the light of areas or neighborhoods that may have concentration of LEP individuals. In such cases, even if the overall number of LEP persons in the area is low, the frequency of contact may be higher.

The third factor should be taken in the light of how the services available in the area impact the lives of its target population. The more important the program, or the greater the possible consequences of the contact for LEP individuals, the more likely the language assistance services will be necessary.

The fourth factor should be considered in promoting service quality and service integration that provide a seamless system with a responsive and comprehensive array of services.

*Translation of Vital Documents:*

The language assistance plan should incorporate a plan to translate "vital" written materials into the languages that were identified through the LEP assessment. DOL has acknowledged the difficulty in identifying vital documents. However, the federal register states that "meaningful access" must be granted to all individuals. Thus, vital documents could include:

- Applications to participate in a Workforce Innovation and Opportunity Act (WIOA) program, activity, or services
- Written tests that do not assess English language competency, but test the competency for a particular license, job, or skill for which English language proficiency is not required
- Consent and compliance forms
- List of partners at a Center and services provided
- Letter containing important information regarding participation in a program or activity
- Notices pertaining to the reduction, denial, or termination of services or benefits and of the right to appeal such actions
- Notices that require a response from beneficiaries
- Information on the right to file complaints of discrimination
- Information on the provision of services to individuals with disabilities
- State wage, hour, safety, health enforcement, and information materials
- Notices advising LEP persons of the availability of free language assistance

- Other marketing and outreach information

Additionally, all translated documents must be reviewed for accuracy. Even though certified translators are not required, the WDS should have mechanisms in place to verify the accuracy of the translated document.

*Interpreter Requirements:*

At a minimum all interpreters used by the WDS must meet the following requirements:

- Demonstrated proficiency in both English and another language
- Fundamental knowledge in both languages of any specialized terms or concepts peculiar to the Center's program or activity
- Sensitivity to the LEP person's culture
- Demonstrated ability to convey information in both languages accurately; and if possible, use staff trained in the skills and ethics of interpreting

There may be cases where interpretation services are offered to the LEP person and these are declined. In such cases the LEP person may request the use of a family member or friend as an alternative. It is then appropriate for the Center to use this person to assist in the provision of services. However, the use of such a person should not compromise the effectiveness of services or breach confidentiality. In these cases, the Center should have a competent bilingual staff member observe the communication and interpretation to ensure the accuracy of the information being translated. The Center must also document in the LEP person's file: the offer of an interpreter, the refusal of free language assistance services, and the witnessing of the communication using "Interpreter Services Statement" form.

Consistent with U.S. DOL's federal register guidance, the WDB has adopted the following hierarchy of methods to meet LEP needs as needed:

- Ensuring the WDS hire multilingual staff
- Paid interpreters that are on staff
- Paid outside interpreters
- Use telephone interpreter lines
- Community volunteers-trained in both interpretation and in WIOA programs
- Not using children, family members, friends, and/or strangers as interpreters except in emergency circumstances or when the LEP person decides to use them after being advised of free and competent interpreters being available.

*LEP Customer Flow:*

After the Center identifies an LEP customer's primary language through a language needs assessment, this information should be documented in the case files preferably using a language identification form such as the Oral and Written Language Designation Form. The choice of whether to use the LEP individual's primary language for oral or written communication is the customer's choice.

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Effective February 20, 2018, the required LEP questions were added to the individual registration form in CalJOBS. Beginning on January 3, 2019, it is required that each Worksource Center records the LEP and preferred language of each applicant, registrant, participant, and terminatee. (EDD Information Notice WSIN17-30, April 2, 2018)

The WDS will serve LEP individuals in their service delivery areas and ensure that LEP customers are offered meaningful and equal access to WIOA services. Each Center must be able to describe and document how LEP customers receive services. This will be subject to review by the City's LEP Coordinator and reported to the WDB.

Furthermore, as the WDB develops new sector initiatives and other training programs, Vocational English as a Second Language (VESL) training should be incorporated in these programs to increase LEP customer participation. The WDB is committed to designing programs to ensure that limited English speakers are included in skills training as well as bridge programs. Moreover, the WDS shall leverage resources to increase training opportunities in other languages where available.

*Monitoring and Oversight:*

Both WDS and City staff will be responsible for monitoring the quality of services to LEP persons.

The WDS must annually evaluate its language assistance plan to keep information current on the LEP makeup of its service area, the communication needs of LEP customers, whether assistance offered is meeting the needs of such persons, whether staff is knowledgeable about policies and procedures and how to implement them, and whether sources of, and arrangements for, assistance are still current and viable. Oversight of the plan should include obtaining the LEP persons' feedback in these areas.

Monitoring and evaluation of the WDS for compliance with Civil Rights legislation will be incorporated in the regular monitoring processes.

The City's evaluation of the WDS's efforts in serving LEP customers will be measured through the DOL 4-factor analysis and through the following activities:

- Outreach and enrollment activities
- Surveys of customers, clients, and advocates to determine customer satisfaction
- Periodic assessment of current data and local demographics
- Review of the effectiveness of agency policies and practices describing services to LEP individuals
- Review staff capacity by determining in-house linguistic resources, recruiting and hiring bilingual or multi-lingual employees and promote continuing education to enhance staff ability to serve LEP clients
- Review of the agency's protocol in receiving and responding to complaints by customers.

**REFERENCES**

- Section 188 of the Workforce Innovation and Opportunity Act
- Federal Register: Vol. 79, No. 220, Guidance on the prohibition against National Origin Discrimination Affecting Persons With Limited English Proficiency (November 28, 2014); and Vol. 65, No. 159, Executive Order 13166, “Improving Access to Services for Persons with Limited English Proficiency” (August 11, 2000)
- Title VI and VII of the Civil Rights Act of 1964
- Dymally-Alatorre Bilingual Services Act, California Government Code Section 7290-7299.8
- Employment Development Department Directive WSD17-03, Subject: Limited English Proficiency (August 11, 2017)
- Department of Labor Training and Employment Guidance Letter 28-16 (January 9, 2017)

(Adopted PY 02-03)

(Revised PY 19-20)

## **Nondiscrimination and Equal Opportunity Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY STATEMENT**

This policy establishes the City of Los Angeles Local Workforce Development Area's (LWDA's) policy on the nondiscrimination and equal opportunity procedures for the Workforce Innovation and Opportunity Act (WIOA) Title I financially assisted programs or activities. It is also to ensure that all WIOA Title I contractors are responsible for complying with all provisions of Federal, State, and City of Los Angeles Equal Opportunity and Nondiscrimination regulations.

### **BACKGROUND**

Compliance with Federal Equal Opportunity and Nondiscrimination Laws

In administering all aspects of the WIOA and providing employment and training services under the Act, the LWDA and WIOA Title I contractors are responsible for complying with all provisions of Federal equal opportunity and nondiscrimination laws including, but not limited to, the following:

- Title VI of the Civil Rights Act of 1964;
- Title VII of the Civil Rights Act of 1964;
- The Age Discrimination Act of 1964, as amended;
- Title IX of the Education Act of 1972;
- Section 504 of the Rehabilitation Act of 1973;
- Pregnancy Discrimination Act of 1978;
- The Americans with Disabilities Act of 1990, as amended;
- Executive Order 13166 of 2000;
- Section 188 of the WIOA (29 CFR 38)
- Fair Employment and Housing Act, Government Code, Section 12900-12996
- Dymally-Alatorre Bilingual Services Act (DABSA), Government Code, Section 7290-7299.8.

Section 188 of the WIOA (final rule became effective January 3, 2017) provides the framework for the nondiscrimination and equal opportunity portions of the Act. Each State is required to establish a Nondiscrimination Plan, and outline how the state plans to ensure compliance with the Nondiscrimination and Equal Opportunity Regulations of Section 188 of the WIOA.

## **DEFINITION**

A WIOA **recipient** is any entity to which financial assistance under the WIOA Title I is extended, either directly from the Department of Labor (DOL), through the Governor, or through the Local Area, but excluding the final beneficiaries. One-Stop partners are treated as recipients and are subject to the nondiscrimination and equal opportunity requirements of 29 CFR 38 to the extent they participate in the One-Stop delivery system.

## **POLICY**

The City of Los Angeles LWDA is committed to complying with the provisions of the Nondiscrimination Plan. Most of the requirements have been extended to the contractor level.

The provisions of the Nondiscrimination Plan include:

- **Designation of an Equal Opportunity Officer**  
The City of Los Angeles LWDA has designated an EO Compliance Officer. Each WorkSource and YouthSource Center must designate an EO Complaints Officer, who is responsible for handling complaints, and who is the lead individual in ensuring the Center is in compliance with nondiscrimination regulations. This individual is expected to provide training for the Center staff. The EO Complaints Officer will be the lead person in organizing the annual EO site visit.

Each EO Complaints Officer will be required to attend periodic trainings. Attendance at these trainings will be a factor in the annual Performance Evaluation.

- **Notice and Communication**  
Initial and continuing notice must be provided by the WorkSource and YouthSource Centers that they do not discriminate on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, sex stereotyping, transgender status, and gender identity), national origin (including Limited English Proficient (LEP), age, disability, or political affiliation or belief, or, against any beneficiary of, applicant to, or participant in programs financially assisted under Title I of the Workforce Innovation and Opportunity Act, on the basis of the individual's citizenship status or participation in any WIOA Title I financially assisted program or activity.

The required notices must be

- posted prominently;
- included in employee and participant handbooks;
- provided to each participant, and a copy with the participant's signature must be kept in the file;
- be provided in alternate formats as needed;

- be provided in other languages as needed.

During each participant orientation, as well as new employee orientation, the WorkSource and YouthSource Centers must include a discussion of rights and responsibilities under the nondiscrimination and equal opportunity provisions of the WIOA Section 188, including the right to file a complaint of discrimination. This information must be communicated with appropriate languages and in formats accessible for persons with disabilities.

Each participant and employee must acknowledge receipt of the required notices on the receipt form provided by the Local Area (no other forms are allowed).

All WorkSource and YouthSource Centers are required to include the following **unaltered** taglines on all forms of media:

***This WIOA Title I financially assisted program or activity is an equal opportunity employer/program.  
Auxiliary aids and services are available upon request to individuals with disabilities.***

The wording above **must be used verbatim**. If the flier is for a specific event, such as a job fair, additional information can be added on requesting a reasonable accommodation.

These taglines must be included on fliers, brochures, letterhead, and websites that promote WIOA funded services. When the print media or website provides a telephone number, a TTY phone number must be listed as well.

These notices must be provided in languages other than English where the number of individuals whose native language other than English being served is “substantial”. Center must be prepared to offer Limited English Proficient (LEP) customers meaningful access to programs, services, and information.

These notices must be provided in languages other than English where the number of individuals whose native language other than English being served is “substantial.” Centers must be prepared to offer Limited English Proficient (LEP) customers meaningful access to programs, services, and information.

#### 1) Assurances

The nondiscrimination assurances must be contained in all contracts, cooperative agreements (MOUs), individual training account (ITA) contracts, and policies and procedures. The nondiscrimination assurance must state that the parties to the agreement will “comply fully with the nondiscrimination and equal opportunity provisions of WIOA.” It is the responsibility of the WorkSource or YouthSource Center to inform their partners and training providers as to the WIOA Complaint Procedures.



2) Universal Access

It is the responsibility of each WorkSource and YouthSource Center to develop and implement an outreach plan to solicit participation by a wide cross-section of the community. In particular, this outreach plan should address:

- a) LEP individuals: the needs of each community should be identified, and outreach may need to be performed in multiple languages;
- b) Persons with Disabilities
- c) Persons of both sexes, various racial and ethnic groups, and various age groups.

The City of Los Angeles LWDA has appointed an LEP Coordinator and each WorkSource and YouthSource Center must designate an LEP Coordinator. This staff member should identify all bilingual staff members (including onsite partners), and share this knowledge with all staff. This information should be shared with all staff members so they can quickly guide an LEP customer to a staff member who can assist the individual in their native language.

The designated LEP Coordinator will be required to attend periodic trainings. Attendance at these trainings will be a factor in the annual Performance Evaluation.

3) Obligation not to Discriminate on the Basis of Disability

All WIOA Title I financially assisted programs must not discriminate against persons with a disability based on the disability. The City of Los Angeles has appointed a Disability Resource Coordinator, and each WorkSource and YouthSource Center must designate a Disability Coordinator. This staff member should develop expertise in serving persons with disabilities, including the Ticket to Work program, and should share this knowledge with all staff members.

All WorkSource and YouthSource Centers must provide reasonable accommodations to participants with a known disability upon request. All Centers must ensure that services to persons with disabilities are provided in the most integrated setting. All Centers must provide for equally effective communication for those who are deaf, hard of hearing, or speech impaired.

All WorkSource and YouthSource Centers must be physically accessible to persons with disabilities, and in compliance with the Americans with Disabilities Act Architectural Guidelines (ADAAG) as well as Title 24 of the California Building Code.

Additionally, all WorkSource and YouthSource Centers must strive to be programmatically accessible, by providing materials in alternate formats, and providing assistance as needed.

4) Data Collection

All WorkSource and YouthSource Centers are required to collect and input demographic data on their customers, utilizing CalJOBS<sup>SM</sup>. This data includes:

- Race/Ethnicity

- Sex
- Age
- Disability Status, (where known)
- Limited English Proficiency
- Preferred Language

This information must be kept confidential; customers should be advised the information will be handled as confidential.

Any medical or disability-related information obtained about a particular individual, including information that could lead to the disclosure of a disability, must be collected on separate forms. All such information, whether in hard copy, electronic, or both, must be maintained in one or more separate files, apart from other information about the individual, and treated as confidential. These files must be secured and locked.

5) Monitoring

All WorkSource and YouthSource Centers are required to perform periodic monitoring of any and all subrecipients, including ITA vendors. A case manager should visit the school at least once during the training, and notate in the case notes. For subrecipients, a written record of monitoring visits should be kept.

All WorkSource and YouthSource Centers are expected to cooperate fully with the EO Compliance Unit during EO site visits.

6) Complaint Procedures

All WorkSource and YouthSource Centers must follow the City of Los Angeles' Complaint Procedures. A copy of these procedures must be given to each participant at Orientation, and a signed receipt retained in the participant file.

WorkSource and YouthSource Centers are not allowed to alter or amend the Complaint Procedures; they must utilize them as published.

WorkSource and YouthSource Centers are expected to fully cooperate with the EO Compliance Unit during the processing of a complaint. They are also expected to cooperate with other agencies, such as Department of Labor, Equal Employment Opportunity Commission, and the Employment Development Department.

7) Corrective Actions and Sanctions

If a WorkSource or YouthSource Center is in violation of these regulations, a Corrective Action Plan may be created. If the Center fails to meet and maintain compliance standards, sanctions may be levied.

(Adopted PY 17-18)

(Revised 19-20)

## **Participant Reporting Requirements Policy**

**EFFECTIVE DATE:** July 1, 2019

### **POLICY STATEMENT**

All WIOA-funded contractors are required to report individual participant data via CalJOBS<sup>SM</sup>. The City of Los Angeles requires daily data entry to ensure that the single common record is maintained according to federal requirements. Data cannot be modified more than 30 days in arrears.

### **BACKGROUND**

The State of California Employment Development Department (EDD) is required by federal regulations to submit accurate participant reports and validated individual participant data to the Department of Labor (DOL) on a quarterly and annual basis.

### **PROCEDURES**

- Participant data should be entered/updated daily. Notwithstanding daily entry, all WIOA funded agencies must enter WIOA individual participant data into CalJOBS<sup>SM</sup> within 15 days from the date of service to ensure a common record, and where appropriate, a common exit is maintained at all times.
- The data cannot be modified in the CalJOBS<sup>SM</sup> system more than 30 days in arrears.
- After individual participant data is entered into CalJOBS<sup>SM</sup>, documents must be printed out and maintained in the participant's file.

### **REFERENCE**

EDD Workforce Services Directive Number WSD13-11

(Adopted PY 15-16)

(Revised PY19-20)

## **Rapid Response Services Policy**

**EFFECTIVE DATE: July 1, 2018**

### **BACKGROUND**

The City's Rapid Response Program is designed to provide assistance to employers and employees affected by industry declines, economic dislocations, and natural disasters by quickly maximizing public and private resources. Through linkages with the U.S. Department of Labor (DOL), various divisions of State of California Employment Development Department (EDD), City of Los Angeles WorkSource Center system, and other public and private partners, the City's deployment of its Rapid Response Coordinators (RRC) mitigate the disruption of layoffs by providing affected workers with early intervention, information on private resources and public assistance, and information on economic opportunities that can lead to them quickly reentering the job market. The RRC also provides assistance to employers by exploring human resource solutions that offer alternatives to layoffs, and referrals to other business service needs.

Layoff Aversion is a significant strategy under Rapid Response that helps retain workers in their current jobs and/or provides rapid transitions to new employment, minimizing periods of unemployment. This strategy includes "early warning systems" that include (but is not limited to) close communication with employer representatives, industry groups, local elected officials, organized labor, utilities, or local media. This close communication is intended to identify an "at-risk" company well in advance of layoffs, get executive level commitment to work together, assess the needs of the company, and deliver services to address risk factors.

The City's Rapid Response Program also complies with the State's required activity which directs the Local Area to provide a "rapid response" to Worker Adjustment and Retraining Notifications (WARNs) that are issued by employers whenever there are impending business closures and/or worker layoffs of fifty or more individuals. The RRC, however, responds to all layoffs, plant closures, and/or hour reductions regardless of the number of affected employees (Non-WARNs).

(Refer to EDD Workforce Services Directive WSD16-4)

### **POLICY**

City of Los Angeles Rapid Response Coordinators (RRCs) will contact affected employers within 48 hours of WARN or Non-WARN notification. RRCs will coordinate with EDD (Workforce Services & Unemployment Benefits), Department of Labor, City of Los Angeles WorkSource System, Labor Unions, and other relevant and key partners to schedule a planning meeting, orientations, and any other services requested by the affected employer and employees at times and dates convenient to them. In addition, RRCs will:

- Work with EDD to determine if affected employers are eligible for the California's Work Sharing program (which allows for the payment of unemployment

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insurance benefits to individuals whose wages and hours have been reduced) as an alternative to layoffs. Refer to:

[http://www.edd.ca.gov/unemployment/Work\\_Sharing\\_Program.htm](http://www.edd.ca.gov/unemployment/Work_Sharing_Program.htm)

- Provide WorkSource Centers (WSCs) who attend a Rapid Response Orientation with copies of the Rapid Response Questionnaires (forms collecting basic contact, employment & education information, and service needs) completed by affected workers (within 48 hours), along with a copy of the sign-in sheet for verification of a “business service” rendered. When more than one WSC attends, the Questionnaires are divided in equal numbers. [Note: For WSCs to count their participation in this process towards meeting their goal of 70 businesses to be served during the program year, WSCs are to have an established relationship with the employer prior to the layoff and be the entity that referred the affected employer to the Rapid Response Unit.]
- Provide a “Verification of Employer Service(s)” form, when warranted, to each WSC for purposes of documenting businesses served. Issuance of this form will be determined on a case by case basis by the RR Unit based on the guidelines specified on the form. See attached.
- Provide a Rapid Response Dislocated Worker roster with contact information of all individuals completing a Questionnaire who live within their designated zip codes on a quarterly basis (City & County zip codes have been pre-assigned to each WSC based on location).
- As needed, provide talking points to the WSC representative participating in the RR Orientation to ensure the message is clear and consistent throughout the presentations, and provide any other technical assistance as requested by the WSC in support of services to Dislocated Workers (DWs) (provided resources are available to meet request).
- Provide WSCs with “Rapid Response Re-employment Tool Kits” to give to every DW who attended a Rapid Response Orientation. The “Tool Kit” is a flash drive preloaded with information and resources and is intended to serve as an incentive for the DWs to stay focused on their job search while ensuring that they visit a WSC as soon as possible to start on “the road to reemployment.” The flash drive also gives each DW entering the WorkSource System the capacity to safely store all job search related information they will be using, and quickly and remotely modify files as needed.

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- Provide postage-paid WorkSource Center Visit Feedback cards to be given to each DW who attended a Rapid Response Orientation. Cards are intended to provide the Rapid Response Unit with successes and challenges encountered at each of the WSCs.
- Partner with WSC to ensure the best available services are provided to the Dislocated Workers and promote each of the City's WSCs cadre of services available to DWs and their families beyond the WIOA required activities.
- Attend WSC staff meetings when "Dislocated Workers" is a topic on the agenda and at intervals visit the WSC to observe client flow and WSC's processes.

WORKSOURCE CENTERS (WSCs) form an integral partnership with the City and are key to the effectiveness of its rapid response and layoff aversion strategy. The WSCs shall support rapid response activity by sharing pertinent information with the RRC assigned to their facility, participating in rapid response activities, and by engaging workers who may potentially be laid-off or dislocated workers who have been recently separated from employment. WSCs are to notify their designated RRC of impending layoffs, plant closures, or hourly reductions for workers as this information becomes available. Further, the WSCs are required to:

- Assess the DWs to determine if they are eligible for customized training or incumbent worker training as alternatives to layoffs.
- Participate in Rapid Response Planning Meetings and/or Orientations to present the "WorkSource System", upon confirmation with the employer, and as requested by the RRC. In addition, participate, as needed in other Dislocated Worker-related Rapid Response activities (such as Job Fairs, workshops, etc.).
- Contact potential DWs within 48 hours of having received copies of the questionnaires collected during a Rapid Response Orientation by the RRC.
- Contact the individuals listed on the Dislocated Workers quarterly rosters (generated by zip codes) and report their status within 2 weeks of receipt (e.g. employed, unemployed, retired, name of WSC visited, etc.) to their lead RRC. Individuals who are contacted and express a need for dislocated worker services shall be assessed for eligibility and enrolled in the DW program.
- Track the number of DWs visiting the City's WorkSource System following a Rapid Response Orientation by disseminating and logging the issuance of "Rapid Response Reemployment Tool Kits" and postage-paid "WorkSource Center Visit Feedback Cards" provided to each WSC by the RRC. WSCs are to provide an electronic copy of the log to the RRC (with a cc: to their City contract analyst) on a monthly basis, and the original log when the sheet is complete to the RRC.

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- Provide the RRC, WSC-specific promotional flyers, etc., they want to be made available at all Orientations regardless of the session location (RRCs can provide further outreach as participants in each Rapid Response Orientation come from the Greater L.A. area)
- Designate a key staff member to act as their Rapid Response Liaison (RRL) who will be responsible for coordinating services and maintaining on-going communication with the RRC. Also, notify the Rapid Response Unit Manager of Liaison changes to schedule Rapid Response training for the new staff within 5 working days of change.
- Track RR Orientation participants who become employed as a result of on-site recruitment or other WSC activities and Report to the RRC all participants employed within thirty days from the official layoff date. Provide the following information:
  - Participant Name
  - Name of the employer participant was laid off from
  - Layoff Date
  - Name of New Employer
  - Hire Date
  - Employment verification (such as correspondence on new employer letterhead or new employer direct email to WSC indicating the hire date; or Dislocated Worker earnings statement; etc.)
- Partner with the City's Layoff Aversion Provider (Economic & Workforce Development Corporation of Los Angeles County – LAEDC) as needed to maximize available resources to meet business needs.

(Adopted PY 13-14)

(Revised PY 19-20)



# CITY OF LOS ANGELES RAPID RESPONSE VERIFICATION OF EMPLOYER SERVICE(S)



Name of Employer: \_\_\_\_\_

AGENCY/WSC: \_\_\_\_\_

The Economic and Workforce Development Department (EWDD) requires WorkSource Centers (WSCs) to provide a minimum of 90 services to a minimum of 70 unduplicated employers (new and carryover) during each Program Year. This form will serve as documentation that Rapid Response (RR)/Layoff Aversion (LOA) service/s was/were rendered and will be issued at the completion of all services from a member of the Rapid Response Unit only when the following criteria is met:

- WSC has an established relationship with employer prior to layoff announcement
- WSC participated in one or more of the following Rapid Response activities:
  - o Planning Meeting – Date(s): \_\_\_\_\_
  - o Orientation\* – Date (s): \_\_\_\_\_
  - o Workshops\* - Date(s): \_\_\_\_\_
  - o Job Fair\* - Date(s): \_\_\_\_\_
  - o Layoff Aversion\* : \_\_\_\_\_
  - o Other: \_\_\_\_\_ ; Date(s): \_\_\_\_\_
  - o Other: \_\_\_\_\_ ; Date(s): \_\_\_\_\_

Note: Categories of services count as one service each - e.g., 3 separate orientations count as only one service.

\*This is considered an employer service for WSCs who don't have an established relationship if – for an Orientation, WSCs secured at least one employer with immediate openings to attend; for workshops, sessions were tailored to employer's request (on-site or off-site) based on their employees' needs; for a Job Fair, WSCs secured employers with job openings for the event; for Layoff Aversion, WSCs collected proof from Dislocated Workers or the employer that they were rehired by the same employer, or a new employer, within 45 days from the announced or actual layoff date.

The signature below by a RR Representative verifies that the WSC named above has met the requirements to count service(s) to this employer towards their employer service goal.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Title

(Maintain copy of PDF signed form in Employer's File)



## **Salary and Bonus Limitation for 2019**

**EFFECTIVE DATE: January 1, 2019**

### **POLICY STATEMENT**

This policy provides the salary and bonus limitation for individuals compensated by the Department of Labor-Employment and Training Administration (DOLETA) funded programs for the calendar year 2019. It applies to all City subrecipients expending Workforce Innovation and Opportunity Act (WIOA), LA Reconnections Career Academy Workforce Innovation Fund (LARCA-WIF), and LA:RISE funds.

### **BACKGROUND**

On June 15, 2006, President Bush signed into law an emergency supplemental appropriation bill, Public Law 109-234. Section 7013 of this public law limits salary and bonus compensation for individuals who are paid by funds appropriated to DOLETA and provided to recipients and subrecipients. Specifically, Section 7013 states:

*“None of the funds appropriated in Public Law 109-149 or prior Acts under the heading ‘Employment and Training’ that are available for expenditure on or after the date of enactment of this section shall be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II, except as provided for under section 101 of Public Law 109-149. This limitation shall not apply to vendors providing goods and services as defined in OMB Circular A-133. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from subrecipients of such funds, taking into account factors including the relative cost-of-living in the State, the compensation levels for comparable State or local government employees, and the size of the organizations that administer the Federal programs involved including Employment and Training Administration programs.”*

Subsequently, on August 15, 2006, the DOLETA issued TEGL 05-06. The State of CA Employment Development Department (EDD) also issues a directive every year, the latest of which is WSD 18-07, issued on September 28, 2018, applicable for 2018. These directives inform states and other DOLETA-funded recipients and subrecipients of limitations on salary and bonus payments, the programs affected by this provision, effective dates and funding cycles, covered individuals and transactions, application of the limitation, and related grant and contract modifications.

**PROCEDURES**

Public Law 109-234 sets the limit on salary and bonus compensation at a rate equivalent to no more than an Executive Level II. A salary table providing this rate is listed on the Federal Office of Personnel Management website, under “Policy, Pay and Leave” (<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/>). **These levels are adjusted annually.** The levels for 2019 and the last two years are as follows:

<b>Year</b>	<b>Limit</b>	<b>Effective Date</b>
2017	\$ 187,000	January 1, 2017
2018	\$ 189,600	January 1, 2018
2019*	\$ 189,600	January 1, 2019

\*Rates frozen at 2018 level.

Additional guidelines regarding the limitation:

- It applies to both the gross amounts of salaries and bonuses. The sum of all bonuses received over the twelve-month period when added to the employee’s salary may not, at any time, exceed the limitation.
- It does not apply to benefits that are not salaries and bonuses. For example, fringe benefits, insurance premiums, and/or pension plans are not included in the calculation.
- **It is prorated based on the amount of time the employee is dedicated to the DOLETA-funded program(s).**

**Example #1:**

Executive Director’s 2019 W-2 Gross Compensation is \$140,000. He worked part-time (.60 FTE) all year but 100% of his time benefited the City WIOA contract:

<b>Description</b>	<b>Amount</b>
2019 Salary & Bonus Limit	189,600
Prorated Salary & Bonus Limit [ $\$189,600 \times (.60 \times 100\%)$ ]	113,760
Executive Director’s Total Gross Compensation	140,000
Salary Benefiting City WIOA Contract ( $\$140,000 \times 100\%$ )	140,000
<b>Compensation in Excess of Limitation (<math>\\$140,000 - \\$113,760</math>)</b>	<b>26,240</b>

**Example #2:**

Executive Director’s 2019 W-2 Gross Compensation is \$140,000. He worked part-time (.50 FTE) all year and only 80% of his time benefited the City WIOA contract.

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Description	Amount
2019 Salary & Bonus Limit	189,600
Prorated Salary & Bonus Limit [ $\$189,600 \times (.50 \times 80\%)$ ]	75,840
Executive Director's Total Gross Compensation	140,000
Salary Benefiting City WIOA Contract ( $\$140,000 \times 80\%$ )	112,000
<b>Compensation in Excess of Limitation (<math>\\$112,000 - \\$75,840</math>)</b>	<b>36,160</b>

**Example #3:**

Executive Director's 2019 W-2 Gross Compensation is \$160,000. He worked full-time all year but only 50% of his time benefited the City WIOA contract.

Description	Amount
2019 Salary & Bonus Limit	189,600
Prorated Salary & Bonus Limit ( $\$189,600 \times 50\%$ )	94,800
Executive Director's Total Gross Compensation	160,000
Salary Benefiting City WIOA Contract ( $\$160,000 \times 50\%$ )	80,000
<b>Compensation in Excess of Limitation (<math>\\$80,000 &lt; \\$94,800</math>)</b>	<b>0</b>

- It applies to salaries and bonuses regardless of whether they are paid as a direct or an indirect cost.
- It does not apply to "contractors" as defined in 2 CFR 200.23.
- The City will use the limitation imposed by the State EDD if and when it sets a limit below Executive Level II.

**REFERENCES**

- Public Law 109-234
- DOL Training and Employment Guidance Letter (TEGL) 05-06, Implementing the Salary and Bonus Limitations in Public Law 109-234, dated August 15, 2006
- State of California Employment Development Department Workforce Services Directive (WSD) 18-07, Salary and Bonus Limitations for 2018, dated September 28, 2018

**INQUIRIES**

If you require further information regarding this policy, please contact your EWDD Program Monitor or the Financial Management Division at (213) 744-9000.

(Adopted PY 15-16)

(Revised PY 19-20)

**Self-Sufficiency Policy**

**EFFECTIVE DATE: July 1, 2018**

**POLICY STATEMENT**

The self-sufficiency income bases stated in this policy shall be used to determine self-sufficiency as it relates to adult and dislocated worker training eligibility.

**BACKGROUND**

Training services are available for individuals who, after interview, evaluation or assessment, and case management are determined to be unlikely or unable to obtain or retain employment that leads to self-sufficiency or wages comparable to or higher than wages from previous employment through career services alone. As there are different local conditions that should be considered in the determination of self-sufficiency levels, the federal regulations provide maximum flexibility to states and local areas, requiring only that self-sufficiency means employment that pays at least the lower living standard income level (LLSIL).

**Establishing Self-Sufficiency Income Bases**

In previous years, the WDB had set its self-sufficiency income bases (SSIB) at different levels for adults versus dislocated workers, and employed a formula that included the Federal Poverty Line. This method had been found not to be an accurate measure of working families' actual income needs.

Starting in Program Year 2005-2006 the WIB had set the SSIB at the same levels for adults and dislocated workers and had employed the SSIB set forth in the Self-Sufficiency Standard for Los Angeles County, CA 2003 by Dr. Diana Pearce, University of Washington, Wider Opportunities for Women and the National Economic Development and Law Center. The data provided by the above report was extensive, but unwieldy; providing some 156 different self-sufficient wages based on various family sizes and children's ages.

Beginning July 1, 2011, the SSIB has been based on the "Basic Family Wage" income levels for Los Angeles County enumerated in the report from the California Budget Project, *Making Ends Meet: How Much Does It Cost to Raise a Family in California*. This report estimates typical costs of housing and utilities, child care, transportation, food, health coverage, payroll and income taxes, and miscellaneous expenses for four hypothetical families: a single adult, a single working parent with children, a two parent family with children and one working parent, and two working parents with children.

	<u>Monthly</u>	<u>Annual</u>
Single Adult	\$2,435	\$29,217
Single Parent Family	\$5,336	\$64,036
Two Parent Family (One Working)	\$4,870	\$58,438
Two Working Parent Family (combined income)	\$6,223	\$74,679

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This estimated family budget is from the California Budget & Policy Center report, Making Ends Meet: How Much Does It Cost to Support a Family in California? (December 2017). Visit [calbudgetcenter.org/MakingEndsMeet](http://calbudgetcenter.org/MakingEndsMeet)

By limiting the SSIB to four scenarios, the eligibility determination process is simplified, providing better customer service to employed customers.

**PROCEDURES**

Unless updated, centers shall use the above table to determine self-sufficiency of WIOA customers.

**Distribution of Self-Sufficiency Income Bases**

Updates to the self-sufficiency income bases for the City of Los Angeles WorkSource System will be distributed via Directive.

(Adopted PY 11-12)

(Revised PY 19-20)

## **Supportive Services/Needs-Related Payments Policy**

**EFFECTIVE DATE:** July 1, 2019

### **POLICY STATEMENT**

This policy provides guidance to the City of Los Angeles One-Stop Operators in providing supportive services that are necessary to enable WIOA eligible individuals who cannot afford to pay for such services to participate in authorized Workforce Innovation and Opportunity Act (WIOA) activities.

#### **Definition:**

Supportive services are customer services that are necessary to enable WIOA eligible individuals, who cannot afford to pay for such services, to participate in authorized WIOA activities. For Youth participants, such activities must correspond to the required WIOA Elements for Youth Programs. Examples of such services include, but are not limited to:

- Child care and dependent care for dependents of customer.
- Clothing - Adequate clothing to allow customer to wear appropriate work attire while participating in WIOA activities and during job interviews.
- Housing - Temporary shelter, housing assistance and referral services.
- Linkages to community services - Alcohol/drug/gang intervention counseling, drop-out prevention, pregnancy prevention, money management, tutoring or other purposes.
- Referrals to medical services - Referral services to appropriate medical service providers.
- Transportation - Expenses for commuting to and from WIOA activities such as public transportation fare, carpool arrangement, or gas for personal auto.
- Other – Services that are consistent with these policies and when justification is maintained in the customer's file. Examples include, but are not limited to, the following: uniforms or work-related tools, including such items as eyeglasses and protective eye gear that may be needed for participating in WIOA activities and/or employment, materials for individuals with disabilities, and needs-related payments.

### **BACKGROUND**

WIOA regulations allow Workforce Development Boards to establish limits on the provision of supportive services or provide the WorkSource and YouthSource Centers with the authority to establish such limits, including a maximum amount funding and maximum length of time for supportive services (including needs-related payments) to be available to customers. Procedures may also be established to allow WorkSource and YouthSource Centers to grant exceptions to the limits established under this provision.

Additionally, WIOA regulations mandate that post-employment follow-up services must be made available for a minimum of 12 months after registered customers are placed into unsubsidized employment; WIOA regulations require that Youth be provided follow-up services for not less than 12 months after the completion of participation. Follow-up services may include supportive services, provided the services are clearly documented in a registered customer's case file.

### **Supportive Services**

#### **Supportive Services Policy**

- Supportive services may be provided only when necessary for enabling an individual to participate in WIOA activities and may be made available to anyone participating in Title I activities.
- Follow-up services, which for youth may include supportive services, must be provided to all participants for a minimum duration of 12 months.
- Supportive services may only be provided to customers who cannot obtain supportive services through other programs or partner agencies providing such services. The provision of accurate information about the availability of support services in the local areas, as well as referral to such activities, is one of the career services that must be made available to adult and dislocated worker through the One-Stop Delivery system.
- Local Boards may establish limits on the provision of Support Services or provide One-Stop operators the authority to establish such limits, including maximum amount and maximum time. One-Stop Operator is to ensure the costs are reasonable, necessary, and allowable under federal guidelines.
- Supportive services may be received throughout the period that the customer is enrolled in WIOA activities (Career or Training Services).
- Supportive services must be documented in a customer's file and include a needs assessment and justification for supportive services, amount of planned funding, and verification that services were received.
- Documentation of supportive services must include a receipt in the customer's case file to validate that services were received and to ensure that payments are made for authorized WIOA services. Gasoline receipts, for customers using a personal automobile to commute to and from WIOA activities, must be obtained to verify that the expenses are necessary, reasonable and allowable.

### **Needs-Related Payments**

Needs-related payments are supportive services in the form of monetary assistance necessary to enable individuals to participate in training services. Needs-related payments are provided through cash assistance or arrangement with another human

resource agency.

### **Needs-Related Payments Policy**

- Needs-related payments may be provided to participants in the WIOA Adult or Dislocated Worker programs.
- Needs-Related Payments may be provided during the entire length of time that a customer utilizes a WIOA training program or unpaid work experience, but may not be continued after the customer completes training. If necessary, needs related payments may also be provided if the participant has been accepted in a training program that will begin within 30 calendar days.
- Needs-related payments may be provided to WIOA Youth participants at any level of the provision of WIOA Youth services during the entire length of time that a Youth participant remains in the WIOA Youth program. Needs-related payments are not an allowable post-exit follow-up service.
- Needs-related payments must be documented in a customer's file and include justification for services, amount of planned funding, and verification that services were received.
- Eligibility for Needs-related payments:
  - Adults must be unemployed, not qualify for or have ceased to qualify for unemployment compensation (UC) and be enrolled in a program of training services under WIOA.
  - In addition, a Dislocated Worker may be eligible to receive needs-related payments, only if such worker was enrolled in training services:
    - By the end of the 13<sup>th</sup> week after the most recent layoff that resulted in a determination of the worker's eligibility for employment and training activities for dislocated worker; or
    - If later, by the end of the 8th week after the worker is informed that a short-term layoff will exceed 6 months; or
    - Dislocated Workers must be unemployed and ceased to qualify for UC or trade adjustment allowance under Trade Adjustment Assistance (TAA) and be enrolled in a program of training services.
  - All WIOA Youth participants may receive need-based payments. An urgent need for such payments must be demonstrated and documented in the participant's file.
- Limits on payments
  - For adults, establish that the maximum is the current minimum wage for every hour of documented participation in WIOA classroom training. Payment may not exceed the applicable weekly level of the UC.



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- For dislocated workers, payments must not exceed the greater of the following two levels:
  - For customers who were eligible for UC as a result of a qualifying dislocation, payment may not exceed the applicable weekly level of the UC. Payment is based on every hour of documented participation in WIOA classroom training.
  - For customers who did not qualify for UC as a result of a qualifying layoff, the weekly payment may not exceed the poverty level for an equivalent period. Payment is based on every hour of documented participant in WIOA classroom training.
- For Youth, the maximum needs-based payment is \$1,200 per participant per year.
- A participant may not receive needs-related payments for either post-employment or post exit follow-up services as he/she is no longer participating in an eligible WIOA activity, but may still receive all other support services for up to 12 months after exiting the program.

**Incentive Payments (Youth Only)**

Incentive payments are funds paid to WIOA Youth participants in the form of cash based on attendance, successful performance, or completion of a WIOA activity that leads to attainment of a goal as identified in the participant's Individual Service Strategy. Such payments are intended to provide participants with an incentive to remain in the activity or be a reward for good performance.

**PROCEDURES**

At the start of each fiscal year, which runs from July 1 through June 30, agencies are required to submit a Budget/Expenditure Plan that lists the total amount set aside for Supportive Services.

Monthly Expenditure Reports are due to the Financial Management Division (FMD) of the EWDD no later than the 15<sup>th</sup> of the month for support services provided in the prior month. Agencies need to include those support services provided, as well as those support services leveraged and report them accordingly on to the Non-SB 734 Leverage Resources Form.

A copy of the Non-SB 734 Leverage Resources Form should reflect support services provided to Adult and Dislocated Worker participants. The form should include, participants name, grant code, description of support services and amount.

Two copies of each form must be submitted each month. One copy of each form must be submitted to FMD, and one copy of each form must be submitted to your assigned budget/program analyst. FMD does allow invoices to be e-mailed prior to the actual signed copy submission, so if e-mailing FMD, ensure your assigned analyst is copied in

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your electronic submission. If the agency only submits hard copies, one copy needs to be sent to the assigned analyst.

FMD will compile the data and make that information available to the Planning Group for use in the agency's annual performance evaluation. This information will also be made available to the Operations Division to help program analysts track their agencies' progress throughout the program year. Failure to conform to this requirement may adversely affect an agency's performance results.

**REFERENCES**

SB 734 (DeSaulnier), Chapter 498, Statutes of 2011  
EWDD Workforce Development System Directive 12-23

(Adopted PY 04-05)

(Revised PY 19-20)

## **Training Expenditure Requirement Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY**

This policy establishes certain requirements for the amount of formula funding that must be expended on training activities as defined by WIOA.

### **BACKGROUND**

State Senate Bill (SB) 734 imposed new training expenditure requirements on local boards carrying out WIA/WIOA funded programs. In Program Year (PY) 2012-13, local boards were required to spend at least 25 percent of their adult and dislocated worker WIA/WIOA formula fund allocations on workforce training services (this minimum training expenditure requirement does not apply to the youth formula fund allocations). This requirement increased to 30 percent in PY 2016-17. A portion of the minimum training expenditure requirement (an amount of up to 10 percent of the adult and dislocated worker formula fund allocation) may be met by applying designated leveraged resources (as defined in this policy) used for training services.

State Assembly Bill (AB) 1149, signed September 27, 2017, expands the types of services to which leveraged funds may be applied to include supportive services and expands the types of leveraged funds that may be applied to the 10% credit, described above, to include specified federal, local, state, and private funds. In addition to the seven categories of leveraged resources permitted under SB 734, AB 1149 allows the following types of leveraged funds to count toward meeting the local area's 30 percent minimum training expenditure requirement:

- Temporary Assistance for Needy Families (TANF) funds spent on supportive services,
- TANF funds spent on transitional and subsidized employment,
- Local, state, or federal funds spent on training or supportive services, and
- Any other public or private funds spent on training or supportive services, for individuals enrolled in training.

### **PROCEDURES**

In order to be applied toward the training expenditure requirement, training services must meet the following criteria:

1. Must be provided to WIOA adult or dislocated worker participants enrolled in a training activity in CalJOBSSM.
2. Must meet the definition of training services provided in WIOA Section 134(c)(3)(D):

Training services may include the following:

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- a. Occupational skills training, including training for nontraditional employment.
- b. On-the-job training.
- c. Incumbent worker training.
- d. Programs that combine workplace training with related instruction, which may include cooperative education programs.
- e. Training programs operated by the private sector.
- f. Skill upgrading and retraining.
- g. Entrepreneurial training.
- h. Transitional jobs.
- i. Job readiness training provided in combination with any of the services in (a)-(h)
- j. Adult education and literacy activities provided concurrently or in combination with any of the services in (a)-(g).
- k. Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

3. Must meet the definition of a training service as provided in Title 20 CFR Section 680.420:

A program of training services is one or more courses or classes, or a structured regimen that provides the services in Title 20 CFR Section 680.200 and leads to one of the following:

- a. An industry-recognized certificate or certification, a certificate of completion of a registered apprenticeship, a license recognized by the state involved or the federal government, an associate or baccalaureate degree.
- b. A secondary school diploma or its equivalent.
- c. Employment.
- d. Measurable skill gains toward a credential described in (a) or (b) above, or employment.

4. Must pass the following three-pronged test:

- a. Is the service defined as a basic or individualized career service under WIOA? If so, the service cannot be counted toward the training expenditure requirement.
- b. Is the service defined as training under WIOA section 134(c)(3)(D)? If so, the service can be counted toward the training expenditure requirement.
- c. Is the service not listed under WIOA section 134(c)(3)(D) but meets the definition of training in Title 20 CFR Section 680.420? If so, the service can be counted toward the training minimum.

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- The determining factors are whether the services are provided through a structured learning process and whether this learning process leads to the attainment of skills or competencies needed to perform work duties during the course of the workday. In summary, the service should lead to employment and/or greater labor productivity on the job.

With the exception of certain types of customized and On-the-Job training (OJT), and the alternatives to traditional ITA training programs described in the Alternative Training Programs Policy, only training providers through their training programs listed on the ETPL are eligible to receive WIOA funds to train adults and dislocated workers.

Formula funds and leveraged resources allocated to WIOA Career Services may not be applied toward the minimum training expenditure requirement. Only resources spent to provide “training services” as defined above to WIOA participants may be

**Leveraged Resources**

Local boards and contractors may apply leveraged resources used for training services toward meeting a portion of their minimum training expenditure requirement (an amount of up to 10 percent of their adult and dislocated worker formula fund allocation for local boards). Local boards and contractors may apply only the following leveraged funds as part of the credit:

1. Federal Pell Grants established under Title IV of the Higher Education Act of 1965.
2. Public programs authorized by the Workforce Innovation and Opportunity Act of 2014 (e.g., Job Corps, Migrant and Seasonal Farm Worker, Rapid Response, WIOA Title II Adult Education and Literacy, national and state WIOA discretionary grants, WIOA youth program, etc.). This category of leveraged resources does not include WIOA adult and dislocated worker formula funds. Local Boards are permitted to apply youth formula funds expended on training for individuals ages 18-24 as a leveraged resource if: (1) the individuals are co-enrolled in either the WIOA adult or dislocated worker program, and (2) the training meets all requirements set forth in this Directive.
3. Trade Adjustment Assistance.
4. Department of Labor National Emergency Grants.
5. Match funds from employers, industry, and industry associations (including the employer paid portion of customized training, the wages of an apprentice during the apprenticeship period, and the employer paid portion of on-the-job training). Note – Match funds from the employer paid portion of on-the-job training may only include the employer’s cost attributed to the participant’s training. See Attachment 2 for further details.
6. Match funds from joint labor-management trusts.
7. Employment Training Panel grants.
8. Supportive services as defined by WIOA and the corresponding sections of the CFR, but only for those individuals enrolled in training services for occupations in

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demand by industry, as defined in Section 3174(c)(3)(D) of Title 29 of the United States Code and the corresponding sections of the CFR. Supportive services may include, but are not limited to, the costs of trainees' or students' books, safety and lab equipment, tools and any payment of costs permitted under WIOA rules and corresponding regulations pertaining to supportive services expenditures, including the rule that these supportive services costs are necessary for the individual to participate in training.

9. TANF funds spent on supportive services as defined by WIOA and the corresponding sections of the CFR, for TANF enrolled individuals co-enrolled in and receiving training services for occupations in demand by industry through WIOA. Supportive services may include, but are not limited to, the costs of trainees' or students' books, safety and lab equipment, tools and any payment of costs permitted under WIOA rules and corresponding regulations pertaining to supportive services expenditures, including the rule that these supportive services costs are necessary for the individual to participate in training.

10. TANF funds spent on transitional and subsidized employment for TANF enrolled individuals co-enrolled in and receiving training services through WIOA.

11. Any other local, state, or federal funds spent on training or supportive services for individuals enrolled in training, provided the individuals are enrolled in WIOA for performance reporting and tracking purposes.

12. Any other public or private funds source approved by the State Board used to provide training or supportive services to individuals enrolled in training, provided the individuals are enrolled in WIOA for performance reporting and tracking purposes.

Local Areas seeking approval for funds under this category must submit a letter to the State Board.

**Adult WorkSource Requirements**

Training services are primarily provided through the Adult WorkSource Centers (WSCs). As such, certain requirements must be imposed upon the centers to ensure the local area meets its goals for training expenditures. Specifically, WSCs must expend an amount equal to or greater than the percentage of their adult and dislocated worker WIOA formula fund allocations enumerated in their Job Training Agreements (Contracts) on workforce training services as defined in this policy. A portion of the minimum training expenditure requirement, as enumerated in their contracts, may be met by applying designated leveraged resources (as defined in this policy) used for training services. Only the training services included in the State's requirements will be counted towards each WSCs goal. This policy may be amended by directive.

(Adopted PY 12-13)

(Revised PY 19-20)

## **WDB Notification Policy**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY STATEMENT**

The City of Los Angeles, Economic and Workforce Development Department (EWDD) has developed a procedure whereby the Workforce Development Board (WDB) is to be notified upon finding or being notified of any questioned or disallowed costs, financial stability concerns, or any official government investigations involving a service provider(s) to the City of Los Angeles, EWDD, funded by Workforce Innovation Opportunity Act (WIOA) funds.

### **BACKGROUND**

The Workforce Development System (WDS) currently reports performance and administrative issues to the WDB annually through its Annual Performance Evaluation. Additionally, EWDD currently makes all funding and contract renewal recommendations for existing contractors to the WDB prior to executing new agreements through the Annual Plan approval process.

EWDD has updated its policies and procedures to ensure that the WDB is notified of any outstanding questioned costs, disallowed costs, financial stability concerns, and any official government investigations involving a WorkSource (WSC) or YouthSource (YSC) Center provider subject to confidentiality parameters and approval by the Los Angeles City Attorney.

### **PROCEDURES**

EWDD will notify the WDB through a WDB Report when a WSC or YSC service provider has been deemed to have any outstanding questioned and/or disallowed costs, financial stability concerns or any investigations in addition to performance and administrative issues.

Thresholds to be reached:

#### Fiscal

- Financial Management Division (FMD) to have commenced and completed its Fiscal Resolution process to determine if a questioned cost is disallowed.
- Financial Management Division (FMD) to have commenced and completed its audit process to determine that an organization has financial stability concerns.

#### Administrative

- EWDD Incident Response (IR) Group to determine that an ongoing investigation can be reported to the WDB, subject to confidentiality parameters and approval by the Los Angeles City Attorney. IR Group includes, EWDD Executive Staff, affected Division Directors, City Attorney and IR Coordinator.
-

Upon reaching the necessary thresholds, EWDD will prepare and deliver a report to the WDB.

Reporting Timeframes

The WDB shall be updated as to the status of WSC service providers with performance, administrative, outstanding questioned and/or disallowed costs, financial stability concerns or any pending investigations:

- Annual Plan Process: March - June
- Performance Evaluation Process: September/October
- As needed when Certification may be revoked or an agreement may be terminated due to extenuating circumstances such as but not limited to, poor performance or confirmed organizational findings of fraud and abuse, financial issues discussed herein.

(Adopted: PY 17-18)

(Revised: PY 19-20)



## WIOA/TAA Co-Enrollment Policy

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

The Trade Adjustment Assistance (TAA) Code of Federal Regulations dictates that all TAA eligible workers must have access to core and intensive services through the America's Job Center of California network. Co-enrollment in the TAA and Workforce Innovation and Opportunity Act (WIOA) will ensure workers are connected to education, training, information resources, and employment in a timely and effective manner following displacement.

### **BACKGROUND:**

The TAA program is a federal program that assists U.S. workers who have lost or may lose their jobs as a result of foreign trade. This program provides adversely affected workers with opportunities to obtain the skills, credentials, resources, and support necessary to become reemployed. The Federal Regulations of the TAA program require coordinating the administration of the TAA program with the WIOA program to ensure trade-affected workers obtain all the benefits and services they are eligible to receive. With a state and federal goal of 100 percent statewide compliance, this federal mandate is met through 'WIOA/TAA co-enrollment'<sup>1</sup>.

Co-enrollment entails a high level of communication and coordination among WIOA and TAA partners. Because of this, through a Memorandum of Operation (MOO), the City of Los Angeles has negotiated WIOA/TAA co-enrollment guidelines with the California Employment Development Department (EDD to be implemented by the WorkSource System. Co-enrollment procedures include areas of responsibility relating to assessments for TAA workers, TAA case management, service planning, training services, client data entry, supportive services, post-training placement assistance, and follow-up services.

### **POLICY**

Per the executed MOO with EDD, effective January 2, 2018, the WDS is committed to delivering customer-focused, integrated, and coordinated services; to sharing relevant

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<sup>1</sup> Co-Enrollment means enrollment in more than one program at a time to allow for coordination of training and services. Co-enrollment across funding streams helps leverage limited resources, eliminates duplication of services, and helps meet the needs and expectation of all customers.

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customer program information and records (with the participant's written consent), including referrals, assessment results, training plans, progress reports, sign-in sheets, and job development strategies; to coordinating cohesive and consistent services, that complement and strengthen the services offered by each of the organizations; and to motivating respective customers to utilize the full spectrum of each partner's services to enhance successful program outcomes.

Co-enrollment procedures and clearly delineated in the Trade Act Co-enrollment Technical Assistance Guide (TAG), DE 8306 Rev 5, dated June 2015 and such shall be adhered to in the implementation of TAA and WIOA co-enrollment practices.

EWDD and EDD have further agreed that the City's Rapid Response Unit serves as the starting point of co-enrollment and a front line marketing tool for both the WIOA and TAA programs. As outlined in TEN31-11, City Rapid Response coordinators are required to coordinate each session with all applicable partners and/or include all required Rapid Response material at each Rapid Response/TAA session.

WorkSource Centers shall:

1. Designate WSC staff, including Case Managers, to attend EDD's TAA/WIOA Co-Enrollment training at minimum once per year.
2. Designate a point of contact to attend EWDD-facilitated forum where co-enrollment issues and concerns are addressed timely.
3. Ensure WSC staff adheres to the EDD's Trade Act Co-Enrollment Technical Assistance Guide DE8306 Rev 5 (6-15), which includes the purpose and policy of WIOA/TAA co-enrollment; roles and responsibilities; and step by step WIOA/TAA co-enrollment procedures.
4. Ensure all WSC decisions relative to the provision of services to the TAA/WIOA eligible clients are made in the best interest of the clients and in alignment with local, state, and federal policies.
5. Maintain a paper-based case file with the original and/or copies of all applicable TAA/WIOA co-enrollment documentation (such as, referral form DE 8308)
6. Provide services in accordance to the following procedures:
  - a. Participate in TAA Orientations as coordinated by the City's Rapid Response Unit when invited by EDD staff;
  - b. Case Management: Discuss career goals, barriers, career changes, and any discussions involving advice or guidance to a WIOA/TAA co-enrolled worker;

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- c. Barriers to Employment: Discuss and document lack of transportation, language barriers, educational levels;
- d. Provide Comprehensive Assessment: An extensive examination testing a client's proficiency in a specific field and/or their education level (a comprehensive assessment is a tool to measure a client's proficiency levels in math, English, etc.);
- e. Job Referrals: Assist TAA clients with suitable job referrals.
- f. Job Placement: Assist TAA clients in finding jobs that match their skills and abilities;
- g. Supportive Services (20 CFR, 663.800): Whenever necessary and if funds exist, provide TAA clients with WIOA allowable supportive services assistance.

EDD will ensure that:

1. WSCs receive the administrative/policy guidance and available resources for the necessary TAA-funded services required by each participant's Individual Employment Plan (IEP).
2. EDD will further provide and support staff development activities that enhance the implementation of this TAA/WIOA Co-Enrollment Policy.
3. The TAA-eligible participant receives a handout indicating the deadlines to maintain eligibility (to be issued during the interview process with the TAA specialist, and a copy to be provided to the WIOA case manager to facilitate compliance).
4. City's Rapid Response Unit obtains a copy of TAA Orientation sign-in sheets to track who has been to both Rapid Response and TAA Orientations with the understanding that participant information will ONLY be used for this purpose and will not be shared with any third party or used for marketing purposes until EDD has obtained the WIOA/TAA co-enrollment/referral form (DE8308), which must be signed by the customer, partner, and EDD Representative.
5. EDD Workforce Services Division runs a QMF to enhance outreach efforts, contingent on the City providing appropriate justification.
6. Participants receive all TAA related forms in their native language (once these are developed).

7. TAA services are provided in accordance to the following procedures:
  - a. TAA Orientations: Led and facilitated by TAA;
  - b. Case Management: Discuss career goals, barriers, career changes, and any discussions involving advice or guidance to a WIOA/TAA co-enrolled worker;
  - c. Barriers to Employment: Discuss and document lack of transportation, language barriers, and educational levels;
  - d. Job Referrals: Assist TAA clients with suitable job referrals;
  - e. Job Placement: Assist TAA clients in finding jobs matching their skills and abilities;
  - f. Training Support: Fund client training through the TAA program;
  - g. TAA Benefits and Services: Provide TAA benefits and services in accordance with published TAA guidance (i.e., current and published TAA Policy and Procedure Checklist).

NOTE: There are no retroactive reimbursements for services rendered through WIOA prior to TAA certification. However, once WIOA participants enrolled in a training program are deemed eligible under TAA, the following options may proceed based on what best meets the needs of the participant and funding guidelines:

1. WIOA funded training continues its course until a natural break occurs (e.g., semester ends, module completion, etc.), then if deemed necessary, TAA funds any additional training;
2. WIOA expends up to the maximum \$7,500 training cap, and TAA funds any additional training not to exceed its maximum allowance; and
3. WIOA remains the only funding source for training when training does not meet the 6 criteria for approved TAA funding.

For additional information refer to the WIOA and TAA Co-Enrollment Policy and Procedures WSD14-15, dated June 26, 2015.

(Adopted PY 18-19)

(Revised PY 19-20)

## **Work Experience and Transitional Jobs Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This policy outlines the requirements for work experience and transitional employment for the Adult and Dislocated Worker Programs.

### **BACKGROUND**

Work Experience is defined as a planned, structured learning experience that takes place on a worksite for a limited amount of time. It is structured to provide an individual with behavioral and occupational skills that are workplace appropriate. It may be paid or unpaid and located in private, nonprofit or public sectors.

Transitional Jobs are defined as time-limited work experiences that are subsidized and are planned, structured learning experiences that occur in a workplace. The final WIOA regulations state: "A transitional job is one that provides a time-limited work experience, that is wage-paid and subsidized, and is in the public, private, or non-profit sectors for those individuals with barriers to employment who are chronically unemployed or have inconsistent work history, as determined by the Local WDB. These jobs are designed to enable an individual to establish a work history, demonstrate work success in an employee-employer relationship, and develop the skills that lead to unsubsidized employment."

### **POLICY**

The goal of work experience is to establish a work history for the individual that demonstrates success in the workplace, and develops the skills that lead to retention in unsubsidized employment. The City recommends that work experience be paid, be provided to individuals lacking a significant work history, and be combined with supportive services. Subsidized work-based training and employment has many benefits, such as providing participants with an opportunity to gain new skills, exposure to a new profession, and experience to enhance their résumé. It can also serve as an effective transitional tool to move an unemployed participant into permanent employment.

Work Experience is designed to provide the individual with specific behavioral and occupational skills needed to succeed in the workplace. It should be linked to achievement of a necessary skill level, limited in duration, combined with other activities, and based on a service strategy particular to each client. It primarily functions as a workplace-values activity, as opposed to a training activity, which is for the acquisition of specific occupational or job skills.

Labor standards apply to any work experience where there is an employee/employer relationship, as defined by the Fair Labor Standards Act.

Work experience should be designed to promote the development of good work habits and basic work skills. When combined with other services, work experience should be provided concurrently or sequentially to these services to increase the basic education

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and/or occupational skills of the customer (as detailed in the adult Individual Employment Plan [IEP] or youth Individual Service Strategy [ISS]). Work experience may be combined with community service or conservation service corps programs.

Transitional Employment provides an individual work experience that occurs within the context of an employee/employer relationship. It is an allowable activity for individuals with barriers to employment who are chronically unemployed or have inconsistent work history. Transitional Employment is designed to ensure that the people most in need of employment assistance transition to full participation in the labor market, and is an allowable use of Work Experience. WIOA allows up to 10% of Adult and Dislocated Worker funds to be used for transitional jobs for individuals with barriers to employment.

Unlike On-the-Job Training (OJT), transitional jobs are career services activities. The program provider may act as the employer of record or there may be a joint employment relationship between the worker, the firm in which the worker is placed, and the program provider.

Transitional jobs must be combined with other comprehensive career services and supportive services.

The Workforce Development System providers shall ensure that transitional jobs do not result in the loss of public benefits. The City currently has a standard Work Experience Training Agreement. This document should be modified as needed and used for all WIOA-funded Work Experience and Transitional Jobs activities.

**PROCEDURES**

**Orientation**

The contractor must conduct an Orientation for both the participant and the worksite training provider before the start of the work experience. This should include a visit to the actual job site, a review of the tasks and/or skills to be gained during the training, a discussion of the wages and benefits to be paid to the participant, and a review of the other conditions within the Worksite Training Agreement, including reimbursement to the employer and the submission of progress reports by the employer.

**Benefits and Working Conditions**

In the development and conduct of work experience and internships, contractors must ensure that participants are not assigned to work for employers that do not comply with applicable labor laws, including wage and hour provisions, occupational health and safety provisions, and child labor laws. To the extent applicable, worker's compensation benefits should be available with respect to injuries suffered by participants while on the job.

Participants shall not be required to work, be trained, or receive services in buildings or surroundings or under working conditions that are unsanitary, hazardous, or dangerous to the participant's health and/or safety. A participant employed or trained for inherently dangerous occupations shall be assigned to work in accordance with reasonable safety practices.

### **Monitoring Responsibilities**

Monthly on-site monitoring of the work experience, transitional job, or internship is the responsibility of the contractor and shall be done by a person other than the designated staff who developed the work experience/transitional job/internship agreement. The contractor must ensure that the following requirements are met:

- Participant receives the training/services/skills as specified in the training outline/plan of the Worksite Training Agreement.
- Participant acknowledges training and services received as reported on the invoices submitted for training wages, if applicable.
- Participant and employer receive copies of the executed worksite training agreement prior to the start of the work experience.

The worksite supervisor shall prepare and submit a progress report, which has been discussed and signed by the participant, at least once monthly, or as negotiated with the worksite supervisor by the contractor staff.

### **Completion**

All work experience should be linked to achievement of a necessary skill level, limited in duration, combined with other career services activities, and based on a service strategy particular to each client. The contractor shall issue a certificate of completion to the participant upon completion. A copy of the certificate shall be placed in the client file together with all the paperwork connected to the activity.

### **REFERENCES**

DOLETA TEGL No. 3-14 (July 30, 2014)  
U.S. DOL The Workforce Innovation and Opportunity Act Overview (July 22, 2014)  
EWDD Work Experience Guidelines  
20 CFR 603.651 WIOA ACT, Final Rule  
20 CFR 680.150, 20 CFR 680.190 & 20 CFR 680.195

(Adopted PY 16-17)

(Revised PY 19-20)

**Working Definition of the Green Economy and Green Jobs**

**EFFECTIVE DATE: July 1, 2019**

**BACKGROUND**

In an effort to dispel confusion regarding the green economy and green jobs, the Bureau of Labor Statistics (BLS) developed a definition of green jobs for use in data collection in March 2010 (last modified in January 2013).<sup>1</sup> Based on two components, BLS defines green jobs as either:

- Jobs in businesses that produce goods or provide services that benefit the environment or conserve natural resources
- Jobs in which workers' duties involve making their establishment's production processes more environmentally friendly or use fewer natural resources.

An article in the January 2013 Monthly Labor Review published by BLS describes the methodology/ development of the definition.

Critical to the understanding of the green economy and green jobs, the definition will be the accepted definition throughout the City of Los Angeles Workforce Development system having been adopted by the BLS. This definition will be applied throughout the Workforce Development System to systematize the capture of training and employment data in the green economy and simplify reporting processes.

Additionally in April 2015, Mayor Garcetti released a Sustainable City pLAN that sets sustainability as a core value for the City and a course for economic and environmentally sustainability. As part of the pLAN strategy, the Mayor issued Executive Directive No. 7-Sustainable City pLAN, that orders all General Managers, Heads of Departments/Offices and Commissions to utilize the pLAN as a tool for strategic planning tool and program prioritization and to take ownership of associated components in their respective jurisdictions. In accordance with the pLAN and directive,

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<sup>1</sup> The Bureau of Labor Statistics published the final definition of the green economy in the September 21, 2010, Federal Register.



the Workforce Development Board and EWDD work collaboratively with a variety of partners on the creation of green businesses and green jobs.<sup>2</sup>

**POLICY**

This policy requires that all City of Los Angeles WorkSource and YouthSource Center operators use the definition of green jobs developed by the BLS to identify the number of green jobs and related training programs reported and tracked in the City of Los Angeles JobsLA system that links to the State’s Cal Jobs system. **PROCEDURE**

Consistent with the definition, all WIOA-funded contractors are required to report participants that have received “green training” and are placed into employment in green jobs. This data will be captured at the time of closure (exit) of participants via CalJobs through the JobsLA.org portal.

**REFERENCES**

Sommers, Dixie, January 2013 Monthly Labor Review, Bureau of Labor Statistics Green Jobs Overview.

City of Los Angeles Sustainability pLAn

Executive Directive No. 7, issued by Mayor Garcetti on April 8, 2015

(Adopted PY 16-17)

(Revised PY 19-20)

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<sup>2</sup> City of Los Angeles Sustainability pLAn, First Annual Report 2015-2016, Second Annual Report 2016-2017, Third Annual Report 2017-2018.

## **WorkSource Center Customer Flow**

**EFFECTIVE DATE: July 1, 2018**

### **POLICY STATEMENT**

The WorkSource Centers will ensure that customers are able to access self-directed services and, if determined eligible under the Workforce Innovation and Opportunity Act (WIOA), are able to access Career Services. In conjunction with the customer, each WorkSource Center (through its Integrated Services teams, which are comprised of a WorkSource Center and co-located partners such as the Employment Development Department (EDD), and/or a Los Angeles Unified District (LAUSD) Navigator, and/or other strategic partner staff) shall consider the entire array of career and training services available under WIOA when determining which services to provide.

### **BACKGROUND**

The WIOA Adult and Dislocated Worker formula programs, in coordination with Wagner-Peyser (WP), are pivotal pieces of the one-stop delivery system, which is the foundation of the workforce system. The system provides universal access to career services to meet the diverse needs of adults and dislocated workers. The adult and dislocated worker programs are required partners of the one-stop delivery system. WIOA has made significant reforms on how career services are delivered in the one-stop system. Under WIOA, adults and dislocated workers may access career services and training services. WIOA provides for a workforce system that is universally accessible, and customer centered. WIOA provides career and training services at nearly 2,500 nationwide one-stop centers. Training is supported through a robust Eligible Training Provider List, comprised of entities with a proven capability of securing quality employment outcomes for participants. WIOA also provides enhanced access and flexibility for work-based training options, such as Registered Apprenticeship (RA), on-the-job training, customized training and incumbent worker training.

### **PROCEDURES**

#### WorkSource Customer Flow:

Services received by a WIOA client will vary, based on his/her particular needs, informed choice, availability of funds and resources. Determination of necessary career and training services shall be determined through individual assessments completed by ISD teams and shall not be based on receiving prior services.

Both mandatory and voluntary partners shall participate at the WorkSource Centers to provide the services that are required as mandated by law. The career services to be provided by each partner shall be outlined in a memorandum of understanding, which will include cost and resource sharing. Access to career services shall be seamless as a result of a well-designed integrated service strategy, and includes all the partners of a WorkSource Centers.

Welcome Team:

Each WSC shall establish a “Welcome Team” whose core functions will include:

- Greeting and orienting customers to WSC programs and services;
- Conducting initial jobseeker skills and needs assessment to determine appropriate services;
- Referring jobseekers to:
  - Jobs.LA registration for self-directed services and/or
  - WSC Orientation and Enrollment (if determined eligible under WIOA);and
- Collecting data for CalJOBS<sup>SM</sup> registrations.

CalJOBS<sup>SM</sup> Enrollment

All WSC program participants seeking services at a WSC, whether self-directed or staff-assisted, must be directed to CalJOBS.ca.gov to complete registration. CalJOBS<sup>SM</sup> provides WSC participants access to online employment services, including labor market information, job placement and training services.

WSC Services & WIOA Registration

When jobseekers receive a WIOA Service other than self-service or information-only activities, and have met eligibility determination requirements, the individuals must be registered into WIOA. Additionally, EO data must be collected on all individuals in being considered for WIOA Title I financially assisted aid, benefits, services, or training. The Welcome Team staff shall refer jobseekers to the following career services:

- WSC Orientations;
- Initial Assessment;
- WSC workshops, which may include: job clubs; resume preparation; interview techniques; and job search skills;

Following the “initial assessment,” the Welcome Team staff will determine whether the jobseeker is ready for employment or if additional skill development is necessary. If determined as requiring additional skills development, the customer will be referred to the Skills Team. If determined, job-ready the customer will be referred to the Employment Team.

Skills Team

The Skills Team will conduct a comprehensive skills and career assessment to identify skills, aptitudes, interests, barriers to employment and supportive service needs. An Individual Employment Plan will be developed for each jobseeker that will identify career services and/or training required to secure gainful employment. Career and training services may include basic skills remediation, computer training, vocational training, and/or on-the-job training.

Employment Team

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The Employment Team will provide assistance with job placement, career counseling and coaching, job retention and supporting services to job seeking customers and to provide skilled, qualified applicants to local business and employers

**Program Services**

Career Services – WIOA authorizes that “career services” for registered adult and dislocated worker participants. There are three types of “career services” and they are as follows:

- Basic Career Services
- Individualized Career Services
- Follow-up Services

**Training Services**

Training services can be critical to the employment success of many adults and dislocated workers. There is no sequence of service requirement for “career services” and training. This means that a one-stop operator or one-stop partner may determine training is appropriate regardless of whether the individual has received basic or individualized career services first. Under WIOA, training services may be provided if the one-stop operator or one-stop partner determine, after an interview, evaluation or assessment, and career planning, that the individual:

- Is unlikely or unable to obtain or retain employment, that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services alone;
- Is in need of training services to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment; and
- Has the skills and qualifications to successfully participate in the selected plan for training services.

When determined appropriate, training services, with the exception of certain types of customized, incumbent, and On-the-Job training; WDB contracts with institutions of higher learning; or the alternatives to traditional ITA training programs described in the Alternative Training Programs Policy; must be provided through an Individual Training Account (ITA). Only training providers through their training programs listed on the Eligible Training Provider List (ETPL) are eligible to receive WIOA funds to train adults and dislocated workers through ITAs. Training services must be linked to in-demand employment opportunities in the local area or planning region or in a geographic area in which the adult or dislocated worker is willing to commute or

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relocate. The selection of training services should be conducted in a manner that maximizes customer choice, is linked to in-demand occupations, informed by the performance of relevant training providers, and coordinated to the extent possible with other sources of assistance.

<b>Below is a list of services for reference.</b>			
<b>Individualized Career Services</b>	<b>Individualized Career Services</b>	<b>Training Services</b>	<b>Follow-Up Services</b>
(CalJOBS <sup>SM</sup> registration required)	(Full WIOA registration required)	(Full WIOA registration required)	Job Search
Determination of Eligibility to receive Assistance under Title I	Staff assisted job search & placement assistance, career counseling	Occupational skills training	Referral to Supportive Services available in community
Outreach, intake (which may include WPRS referrals) & orientation to One Stop Center	Follow-up services, including counseling regarding the workplace	On the Job Training	Case Management
Initial assessment of skill levels, aptitudes, abilities & need for additional assistance	Staff assisted job referrals (such as testing & background checks)	Workplace training & cooperative education programs	Additional Career Planning & Counseling
Employment statistics:	Staff assisted job development (working with employer & job seeker)	Private sector training programs	Peer Counseling
Information, job listings, job skill requirements for job listings, & info on demand occupations demand occupations	Staff assisted workshops and job clubs	Skill upgrading & retraining	Needs Related Payment
Performance info on Eligible training provider	Comprehensive & specialized assessment, e.g. diagnostic testing, interviewing	Entrepreneurial training	Information about additional educational opportunities

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Performance info on the local One-Stop System	Full development of individual employment plan	Adult Education in combination w/training	
Info on filing for Unemployment Ins. Self-determined eligibility	Short-term pre-vocational services	Job readiness training	
Information on, referral to, supportive services	Individual counseling & career planning	Customized training	
Assistance in establishing eligibility for welfare-to-work activities and for other training and education programs	English Language acquisition.		
Resource room	Financial Literacy Services		
Internet browsing (job info and training search)			
Internet accounts			
Initial development of employment plan			
Talent referrals (informational, e.g. talent scouts, labor exchange referrals of resumes without further screening)			
Workshops and job clubs			
Performance info on Eligible training provider	Comprehensive & specialized assessment, e.g. diagnostic testing, interviewing	Entrepreneurial training	Information about additional educational opportunities

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While follow-up services must be offered, not all of the adults and dislocated workers who are registered and placed into unsubsidized employment will need or want such services. Also, the intensity of appropriate follow-up services may vary among participants. Participants who have multiple employment barriers and limited work histories may be in need of significant follow-up services to ensure long-term success in the labor market. Other participants may identify an area of weakness in the training provided by the WIOA prior to placement that will affect their ability to progress further in their occupation or to retain their employment.

Follow-up services must be provided, as appropriate, including counseling regarding the workplace, for participants in adult or dislocated worker workforce investment activities who are placed in unsubsidized employment, for up to 12 months after the first day of employment. If a customer declines follow up services this must be recorded in the customer's case file under Case Notes and in CalJOBS<sup>SM</sup>. Follow-up services for the purposes of career planning are not to be construed as the follow-up services required for performance reporting.

(Adopted PY 01-02)

(Revised PY 19-20)

## **Youth Customer Flow**

**EFFECTIVE DATE:** July 1, 2018

### **POLICY STATEMENT**

This policy describes the sequence of activity for a youth accessing Workforce Innovation and Opportunities Act (WIOA) services through the City's YouthSource system.

### **BACKGROUND**

The WIOA places a priority on the delivery of services to out-of-school youth. WIOA stipulates that not less than 75 percent of allotted youth funds be used to provide out-of-school youth with workforce activities. Since 2012, the YouthSource system has focused on reengaging dropout youth through its partnership with the Los Angeles Unified School District (LAUSD) Office of Pupil Services, which collaborates with the YouthSource system to identify out-of-school youth and target them for services. Additionally, over the last few years, the system has expanded its priority of services to include additional disconnected youth (i.e. homeless, justice-involved, and foster youth) ages 16 to 24, who have barriers to accessing education, employment, housing and overall well-being services.

As a federal Performance Partnership Pilot (LAP3) designee, the YouthSource system will work with local partners and internal systems of support to increase the high school graduation, college acceptance, and employability and employee placement of its participants. There will be an increased emphasis on individual participant needs through the development of customer-centered objective assessments, individual service strategies, intensive case management practices, and follow-up services that are linked to the individual's educational needs and career pathway interests, and ultimately will lead to successful completion of the program.

At a minimum, YouthSource providers will have to deploy the following program components:

- Outreach and Recruitment
- Info- sessions
- Education/ Needs Assessment and Intake
- Program Suitability Assessment
- WIOA Eligibility Determination
- Development of Individual Service Strategy/ Plan
- Provision of Services
- Re-Assessment as needed
- Minimum of 12 months of Follow-up services

Youth participants entering the City's YouthSource centers (YSC) come from direct recruitment, outreach, and referrals including the LAUSD dropout list and truancy



diversion project, self-referred youth (“walk-ins”), and other youth and community-based organizations such as the City FamilySource centers.

YouthSource Centers maintain a regular weekly schedule of general information sessions at which potential enrollees may obtain information about the YSC’s WIOA-funded and Non-WIOA funded services as well as auxiliary services.

During orientation, PSA Counselor assesses the attendees’ educational status (in-school, out-of-school, high school graduate, and dropout). As a targeted priority group, disconnected youth are immediately contacted by the YSC staff. In addition, the YSC’s workforce development staff will conduct a needs assessment to identify additional services that may benefit the youth. Thereafter, the YSC staff and the PSA Counselor confer on the appropriateness of the WIOA program for the individual. During any of the assessment process, if the youth is found to be in need of any immediate services such as Mental Health or housing, those needs will be addressed through the YSC’s resources or through the LAP3 network of resources prior to examining the youth’s suitability for WIOA services.

Youth committed to participating in YSC WIOA activities complete the eligibility determination process and, if eligible, the enrollment process. All enrolled youth meet with the assigned case manager to determine their progress toward attainment of their high school diploma and/or for guidance toward achieving their educational goals. The case manager works with the youth to establish an educational plan that includes both traditional and alternative school programs as well as alternatives to the high school diploma. The youth can also meet with their case manager to seek guidance toward achieving their employment objectives.

Youth who are found to be ineligible for WIOA or who choose not to enroll are to be referred to other resources via the agency’s system of support (LAP3); such as the WIOA WorkSource adult program, YouthBuild, and community colleges, as appropriate.

Enrolled youth complete additional objective assessments to identify their academic levels, skill levels, career interests and service needs. Utilizing the identified objectives, an Individual Service Strategy (ISS) that addresses the youth’s needs and goals, and is directly linked to WIOA youth performance indicators is developed with the YSC case manager. Taking the objective assessment into account, the ISS will identify career pathways that include education and employment goals, and appropriate achievement objectives and services. Services provided to the youth will include, as appropriate, activities leading to attainment of a secondary school diploma or equivalent, preparation for post-secondary educational and training opportunities, strong linkages between academic instruction and occupational education, preparation for unsubsidized employment opportunities, and effective connections to employers.

Youth and YSC staff are to maintain regular communication and the service strategy is reassessed periodically and updated as needed as the youth progresses toward completion of planned activities and attainment of program outcomes.

Upon completion of planned services, a strategy for the required 12-month follow-up period is developed and executed.

**YOUTH CUSTOMER FLOW POLICY**

- Referrals to YouthSource Centers (YSCs) are made through multiple sources including partner agencies, LAUSD, direct YSC outreach & recruitment, and self-referrals/ walk-ins
- YSCs will conduct general information session to the YouthSource system twice weekly on an established schedule.
- YSC staff working in conjunction with the LAUSD PSA Counselor will determine school status of youth in attendance: In-School Youth (ISY) and Dropout/Non-Dropout Out-of-School youth (OSY). A minimum of 75% of youth enrolled in the YouthSource system must be out-of-school youth as defined by WIOA. Dropout youth are returned to school or to an alternate high school diploma/diploma equivalency program. In-school youth remain in school.
- YSC staff will determine program eligibility based on WIOA eligibility criteria.
- Youth who are ineligible or choose not to enroll in the YSC/WIOA program are referred to non-WIOA resources via the YSCs system of support (LAP3) (i.e. WorkSource Center, LAUSD Support Services Educational Options; FamilySource Center, community-based organizations).
- Eligible youth are enrolled in the YSC and WIOA:
- Each youth completes an educational assessment, needs assessment and an Individual Service Strategy developed based on the assessments and the objectives identified by the youth
- Planned services are provided and the progress toward goal attainment is reviewed on a regular schedule
- There is completion of services linked to performance outcomes
- An Exit and Follow-up Strategy is developed with the youth
- YSC conducts 12-month follow up, providing services and support as needed

**All services provided from enrollment to exit and through follow-up for both WIOA enrolled and Non-WIOA enrolled youth are to be entered into the City's JobsLA data collection system and any additional tracking system prescribed by the City.**

(New PY 17-18)

(Revised PY 19-20)

## **Youth Workplace Learning Expenditure Requirement**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This policy provides the guidance and establishes the procedures regarding the *Workforce Innovation and Opportunity Act* (WIOA) youth program work experience programs and minimum expenditure requirements.

### **BACKGROUND**

WIOA affirms a commitment to providing high-quality services for all youth and young adults beginning with career exploration and guidance, continued support for educational attainment, opportunities for skills training in in-demand industries and occupations, such as pre-apprenticeships or internships, and culminating with a good job along a career pathway, enrollment in postsecondary education, or a Registered Apprenticeship. To better prepare youth for the workforce, WIOA includes a requirement that a minimum of 20 percent of local area youth funds must be spent on work experience.

### **POLICIES & PROCEDURES:**

Work experiences are planned, structured learning experiences that take place in a workplace for a limited period of time. Work experience provides in-school (IS) and out-of-school (OS) youth an invaluable opportunity to develop work place skills. Work experience may be paid or unpaid, as appropriate. Labor standards apply in any work experience where an employee/employer relationship exists. Work experiences must include academic and occupational education. The educational component may occur concurrently or sequentially with the work experience and may occur inside or outside the work site. The types of work experiences include the following categories:

- Summer employment opportunities and other employment opportunities available throughout the school year.
- Pre-apprenticeship programs.
- Internships and job shadowing.
- On-the-job training opportunities.

Youth formula funds may be used to pay a participant's wages, related benefits and support services for work experience in the public, for-profit or non-profit sectors when the participant's objective assessment and individual service strategy indicate that work experience is appropriate.

Additionally, youth formula funds may be used to pay wages and staffing costs for the development and management of work experience. Allowable expenditures beyond wages may include the following:

- Staff time spent identifying potential work experience opportunities.
- Staff time working with employers to develop the work experience.
- Staff time spent working with employers to ensure a successful work experience.
- Staff time spent evaluating the work experience.
- Classroom training or the required academic education component directly related to the work experience.
- Orientation sessions for participants and employers.
- Incentive payment to youth for an achievement directly tied to the work experience.
- Employability skills/job readiness training to prepare youth for a work experience.

Work experience shall adhere to the following:

- The duration of the work experience assignment shall not exceed 90 days without prior City approval.
- The total number of hours shall not exceed 300 without prior City approval.
- Incentives shall not exceed \$100 in the form of a gift card without prior City approval, must be tied to the goals of work experience achievements, and outlined in writing before the commencement of the program.
- Compliance with California paid sick leave law and the City of Los Angeles minimum wage.

WIOA and 20 CFR subsection 681.590 require that a minimum of 20 percent of local area funds for the Title I Youth program be spent on work experience. Youth work experience is primarily provided through the YouthSource Centers (YSCs). As such, certain requirements must be imposed upon the centers to ensure the local area meets its goal for work experience expenditures. Specifically, YSCs must expend an amount equal to or greater than 23 percent of their youth WIOA formula fund allocations on work experience activities as defined in this policy. The expenditure rate applies to total youth funding and is not applied separately for IS youth and OS youth funds.

Supportive services are a separate WIOA Youth Program element and cannot be counted toward the work experience expenditure requirement even if supportive services assist the youth in participating in work experiences.

Funds spent on paid and unpaid work experience must be tracked and reported to the Economic and Workforce Development Department (EWDD) Financial Management Division (FMD) and assigned program monitors. This includes wages and staff costs for the development and management of work experiences.

**REFERENCES**

- 20 CFR Workforce Innovation and Opportunity Act; Final Rule §681.590 & 600
- State EDD Directive WSD17-07, "WIOA Youth Program Requirements"
- TEGL No. 8-15, "Second Title I WIOA Youth Program Transition Guidance"
- TEGL No. 21-16, "Third Workforce Innovation and Opportunity Act (WIOA) Title I Youth Formula Program Guidance"
- EWDD WDS Directive No. 17-01 "Los Angeles Performance Pilot (LAP3) YouthSource System Implementation"  
EWDD FMD Directive No. 17-001 "New Financial Reporting Requirements for WIOA grants"

(Adopted PY 17-18)

(Revised PY 19-20)

## CalJOBS<sup>SM</sup> Request for Correction (CRFC) Form Policy

EFFECTIVE DATE: July 1, 2019

### POLICY STATEMENT

This policy provides guidance and establishes the procedures regarding the CalJOBS<sup>SM</sup> Request For Correction (CRFC) Form.

### BACKGROUND

WIOA Title I Adult, Dislocated Worker, Youth, and National Dislocated Worker Grant Subrecipients, and Employment Development Department (EDD) Workforce Services Branch (WSB) staff are required to report participant information via the CalJOBS<sup>SM</sup> system. Managers, staff, and LA City Management Information System (MIS) Administrators have the ability to change active participant data. After 30 calendar days, the CalJOBS<sup>SM</sup> system does not allow certain areas of the participant record to be changed or updated by managers, staff, or LA City MIS Administrators. The CRFC Form is a tool to enable the participant data to be changed or updated. Its purpose is to correct data key entry errors and other circumstances that are beyond the control of staff.

### POLICY

The CRFC Form is intended to maintain data integrity, promote consistent and accurate data in the DOL Quarterly and Annual reports, and enable performance to be properly calculated.

Data within the program application cannot be updated or changed once the individual becomes a participant in the program. It is the staff's responsibility to ensure that all application data is accurate **prior** to enrolling an individual. The only time a program application can be updated is when additional program eligibility is being determined. Only new data associated to that program eligibility can be added to the application.

WorkSource/YouthSource Centers, LA City MIS and WSB staff must ensure records are updated within 30 calendar days of the activity's Projected End Date/Scheduled Date to avoid a "System Closed" completion status. Once the activity becomes "System Closed," the data cannot be changed or updated. Activities with a "System Closed" status are **included** in performance calculations.

A participant's application is system-exited after 90 calendar days of inactivity *across all programs* within CalJOBS<sup>SM</sup>, and when no new activity has been scheduled for the participant in CalJOBS<sup>SM</sup>. If services (except post-program/follow-up services) need to be provided to an applicant who has been system-exited, the application intake process must be completed again. Participants who repeat the application intake process will have their new enrollment counted separately in performance calculations.

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If any data needs to be added or changed after 30 days, the CRFC Form must be completed and submitted to the LA City MIS Administrator. Any requests associated to data beyond 90 days will be reviewed on a case-by-case basis and may not be approved.

The State Program Reporting and Analysis Unit (PRAU) will review the request and analyze the overall impact of the proposed change, especially with respect to current WIOA performance outcomes. Each request will be considered on a case-by-case basis, contingent upon the detailed reasons listed, and the supporting documentation provided. If additional information is required, the PRAU will email the requestor for clarification. The requestor must reply to the PRAU message within seven calendar days, or the request may be denied. The reply must include the entire email stream and all attachments.

If the CRFC is approved, the PRAU will make the request changes and respond to the WSB office or the LA City MIS Administrator. It is the requestor's responsibility to verify that the changes made by the PRAU are accurate. If the CRFC is denied, the PRAU will notify the LA City MIS Administrator or WSB office and explain the reason(s) for the denial.

**PROCEDURE**

The CRFC Form requires: 1) Requestor Identifying Information and 2) Detailed Reason for Requested Correction.

Requestor Identifying Information

This section of the form includes: Request Date; Agency Name; MIS Administrator; Requested By; Requestor Phone; and Requestor Email Address.

Detailed Reason for Requested Correction

This section of the form includes: Reason for Correction; Participant Name; User Name; User ID; Last Four Digits SSN; and Reason for Correction.

Complete all data fields and make sure that a participant's full Social Security Number is not included. Any request without a detailed reason or explanation as to why the change needs to occur will be **denied**. When selecting a reason for correction, make sure to select only **one** reason. All applicable documentation must accompany the request.

**REFERENCES**

- WIOA (Public Law 113-128)
- Department of Labor (DOL) Training and Employment Guidance Letter (TEGL) 10-16, Change 1 Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III, and Title IV core Programs
- EDD Directive WSD 18-02, Data Change Request Form

(New PY 19-20)

## **Cash Advance Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This policy provides the requirements to receive cash advances from the City.

### **BACKGROUND**

The Uniform Guidance 2 CFR 200.305, Subpart D, states that payment methods must minimize the time elapsing between the transfer of funds and the disbursement of funds. In order to be allowed to receive cash advances, a subrecipient must be able to demonstrate that it meets the financial management system standards as set forth in the Uniform Guidance.

### **POLICIES & PROCEDURES:**

A subrecipient receiving awards from the City will not automatically be allowed to receive cash advances. To receive cash advances, a subrecipient must submit a written request to EWDD's Financial Management Division (FMD). The following conditions must be met:

- Satisfactory cash management review by FMD's Audit Section and
- Submission of a Special Bank Account Agreement signed by the subrecipient and the bank where cash advances will be deposited,

If approved for cash advance payments, the Cash Request form may be submitted by the 25<sup>th</sup> day of the month.

Cash advances may be withheld or reduced under the following conditions:

- Cash advance request not in accordance with the approved Spending Plan and no explanation or justification was provided for the discrepancy;
- Delinquent submission of Expenditure Reports and all required supporting schedules and/or attachments;
- Subrecipient has audit findings related to cash management controls;
- Delinquent Single Audit report;
- Expired insurance coverage; and
- Other special conditions.



**REFERENCES**

- WIOA (Public Law 113-128)
- Office of Management and Budget (OMB), Title 2 Code of Federal Regulations (CFR) Part 200: “Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards” (Uniform Guidance)
- Office of Management and Budget (OMB), Title 2 Code of Federal Regulations (CFR) Part 200.305 “Payment” (Uniform Guidance)

(New PY 19-20)

**Disallowed Cost Resolution and Repayment Policy and Procedures**

**EFFECTIVE DATE: July 1, 2019**

**POLICY STATEMENT:**

This policy and procedures provides guidelines and establishes procedures for the resolution and repayment of disallowed costs.

Disallowed costs means those charges to a Federal, City, or local award that are found to be unallowable or unauthorized, in accordance with the applicable Federal, State, City and other local agency statutes, regulations, or the terms and conditions of the award or contracts (2 CFR 200.31, Disallowed costs). Disallowed costs are based on an audit or other reports by the City, Federal agency or other entities that conducted an audit.

**PROCEDURES**

**Initial Determination**

The subrecipient is responsible for addressing all findings or questioned costs identified in EWDD Financial Management Division's (FMD's) fiscal review report. If the subrecipient fails to provide the necessary support or fails to address the findings, then EWDD FMD will issue a Final Resolution/Initial Determination letter. The Initial Determination letter will include:

- A list of all questioned costs;
- Determination as to whether the costs are allowed or disallowed, including the reasons with appropriate citations for such actions;
- Acceptance or rejection of any corrective action taken to date, including correction on administrative findings;
- Possible sanctions; and
- The opportunity for an informal resolution of no more than sixty (60) days from the date of the Initial Determination.

**Informal Resolution**

Following the issuance of the Initial Determination, the subrecipient will have ten (10) days to request an informal resolution of the audit issues. The request must be made in writing to the City's EO Compliance Unit as follows:

City of Los Angeles  
Economic and Workforce Development Department (EWDD)  
Attn: Richard Cheng  
EO Compliance Unit  
1200 West 7<sup>th</sup> Street, 6<sup>th</sup> Floor Garland Building  
Los Angeles, CA 90017

During the informal resolution, the subrecipient may provide documentation to support allowability of costs and proposed action of administrative findings. Negotiations of repayments may be initiated at this time.

### **Final Determination**

EWDD FMD will issue a Final Determination, which will include the following:

- Reference to the Initial Determination;
- Summation of the informal resolution meeting, if held;
- Decisions regarding the disallowed costs listing each disallowed cost and noting the reason for each disallowance;
- Questioned costs that have been resolved and the reasons for the resolution;
- Demand for payment of the disallowed costs;
- Description of the debt collection process and other sanctions that may be imposed if payment is not received;
- Rights to a hearing; and
- Status of each administrative finding.

### **Administrative Hearing**

The subrecipient will have twenty-one (21) days after the Final Determination is issued to submit a written request for hearing with the EO Compliance Unit, EWDD. *If there is no appeal request, the Department's Final Determination shall be submitted to the Mayor for consideration by the Community and Economic Development Committee (CEDC) of the City of Los Angeles City Council.*

The subrecipient will receive written notice of the scheduled hearing at least ten (10) days before the hearing. The 10-day notice may be shortened with the written consent of both parties. The subrecipient may withdraw the hearing request. The withdrawal request must be submitted in writing.

The hearing officer's report which should be completed within twenty (20) days after the conclusion of the hearing, and any other reports or documentation, will be submitted to the Mayor for transmittal to the CEDC. The EO Compliance Unit, EWDD, will notify the subrecipient of the date of the CEDC meeting and provide the contractor with a copy of

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the Department's report to the Mayor on the hearing officer's findings and recommendations.

Note: Any hearing and issuance of the Final Determination are the final level for appeal of disallowed costs up to \$500,000.

The CEDC will review the matter and may allow testimony by the parties in accordance with its rules and procedures.

The recommendation of the CEDC will be sent to City Council and the Mayor for final consideration. The subrecipient will be notified in writing of the final decision of the City Council and Mayor. The written notification will include a summation of the issues identified and determinations therein, and shall be given 60 days from the date of the receipt of the subrecipient's request for appeal.

If the subrecipient does not appeal the final finding, the subrecipient shall agree to a repayment plan within thirty (30) days of the final decision of the City Council and Mayor.

**PAYMENT OF DISALLOWED COST**

1. If the subrecipient agrees with the findings and the related questioned costs or if the disallowed costs have been finally determined under the City and applicable grant's resolution procedures, the subrecipient shall pay the questioned and /or disallowed costs as follows:
  1. Issue a check payable to the City of Los Angeles - EWDD.
2. Apply stand-in costs in accordance with the conditions set forth by the City.
3. Request for a repayment plan to the Director, EWDD Financial Management Division and comply with the approved repayment plan.

Upon notice to the subrecipient, the EWDD may withhold questioned or disallowed costs from amounts due to the subrecipient pending resolution or payment of questioned or disallowed costs.

**REFERENCES**

- Public Law 109-234
- DOL Training and Employment Guidance Letter (TEGL) 05-06, Implementing the Salary and Bonus Limitations in Public Law 109-234, dated August 15, 2006
- State of California Employment Development Department Workforce Services Directive (WSD) 17-02, Salary and Bonus Limitations for 2017, dated August 4, 2017 (EDD has not issued a directive for 2018 as of the issuance of this policy.)
- City of Los Angeles Workforce Innovation and Opportunity Act (WIOA) Complaint Resolution Procedures (rev. Oct. 2017)

**INQUIRIES**

If you require further information regarding this policy, please contact your EWDD Program Monitor or the Financial Management Division at (213) 744-9000.

(New PY 19-20)

## **Financial Reporting Procedure**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This policy provides the financial reporting requirements for all subrecipients.

### **BACKGROUND**

The Economic and Workforce Development Department Financial Management Division (EWDD-FMD) is responsible for submitting required financial reports to grantors. Grant reporting and timeframes vary based on the types of grants received and each grantor's unique requirements. EWDD's financial reporting requirements are in place to allow EWDD-FMD to manage the cash disbursed to subrecipients and meet each grantor's reporting requirements and assist with the department's oversight and monitoring responsibilities on how grant funds are spent.

### **POLICIES & PROCEDURES:**

EWDD's subrecipients must submit **monthly** financial reports. These reports, commonly known as the "invoice", consist of the following forms:

- Cash Request,
- Expenditure Report:
  - Schedule of Personnel Costs,
  - Attachment (if required),
- Schedule of Leveraged Resources (if required),
- General Ledger, and
- General Ledger vs Expenditure Report Reconciliation

Subrecipients are required to submit monthly invoices on a cumulative basis which must include accrued expenditures and all the required expenditure breakdowns and other financial data. Delinquent reporting may impede payment of invoices and will have a negative impact on a subrecipient's Annual Performance Evaluation.

### **Deadlines:**

LA County Grants:           5<sup>th</sup> day of the month

All Other Grants:           15<sup>th</sup> day of the month

If the deadline falls on a weekend or a holiday, the reports are due the weekday prior.

**General Ledger and General Ledger-Expenditure Report Reconciliation:**

The Uniform Guidance 2 CFR 200 and the City Contract require that expenditures reported be accounted for in the grantee's financial systems and accounting records and supported with adequate documentation.

All subrecipients must submit the following on a **quarterly basis**:

- General Ledger and
- Reconciliation of General Ledger and Expenditure Report

These are due by the end of the month following each quarter, i.e. October 31<sup>st</sup>, January 31<sup>st</sup>, April 30<sup>th</sup>, and July 31<sup>st</sup>. Earlier deadlines may be imposed as a result of audit findings, special conditions, closeout deadlines, etc.

As part of the fiscal monitoring review process, additional documentation may also be requested by EWDD-FMD's Audit staff.

**REFERENCES**

- WIOA (Public Law 113-128)
- Office of Management and Budget (OMB), Title 2 Code of Federal Regulations (CFR) Part 200: "Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards" (Uniform Guidance)
- Office of Management and Budget (OMB), Title 2 Code of Federal Regulations (CFR) Part 200.305 "Payment" (Uniform Guidance)
- State of California EDD WSD 16-13: "Monthly and Quarterly Financial Reporting Requirements"
- Financial Management Division (FMD) Directive 17-001: "New Financial Reporting Requirements for Workforce Innovation and Act (WIOA) Adult, Dislocated Worker, Youth, Governor's Discretionary, 25% Additional Assistance, and Special Grants"
- Financial Management Division (FMD) Directive 17-002: "New Financial Reporting Requirements Quarterly Submission of General Ledger"

(New PY 19-20)

**Policy to Ensure Gender Equity throughout the Workforce  
Development System**

**EFFECTIVE DATE: July 1, 2019**

**GENDER EQUITY DEFINED**

“Gender Equity” implies that the interests, needs and priorities of both women and men and those who identify as women or men are taken into consideration, recognizing the full spectrum of diversity within and between gendered groups.<sup>1</sup>

**POLICY STATEMENT**

The goal of this policy is to address the continuing challenge of occupational sex segregation in the workplace and the gender wage gap by integrating a gender perspective into the design, implementation, monitoring, and evaluation of all workforce development services offered through the Workforce Development System. These challenges must be addressed to ensure women and men, girls and boys, and people of various gender identities, and of all racial backgrounds, have equal opportunities to access job training and quality jobs that lead to living wage jobs with opportunities for career advancement.<sup>2</sup>

**BACKGROUND**

In 2015, Mayor Eric Garcetti issued an Executive Directive on Gender Equity<sup>3</sup> which called on City departments to implement the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) within their organizations and throughout their operations, and services. Gender Equity is defined

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<sup>1</sup> Mount Saint Mary’s University, The City of Los Angeles 2015 Report on the Status of Women and Girls.

<sup>2</sup> Letter from Jackie Filla, President of the Los Angeles Commission on the Status of Women, Submitted as Public Comment during the Development of the City of Los Angeles Workforce Development Annual Plan Year 19/2018-2019.

<sup>3</sup> Mayor Garcetti, Executive Directive Number 11, Gender Equity in City Operations, August 2015.



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The directive requires each General Manager or Head of a City of Los Angeles Department to submit a Gender Equity Action plan by annually to implement a gender-sensitive strategy that:

- Upholds an inclusive work environment that promotes fairness and fosters the equal participation of women in leadership positions at all levels;
- Tracks recruitment in fields where women remain underrepresented (such as public safety, science, technology, engineering and mathematics) and addresses underrepresentation;
- Tracks contracts and promotes ways to ensure equal contracting opportunities for women-business enterprises;
- Evaluates City services to discover ways to increase gender equity parity and to promote equal opportunities for, and the advancement of women and girls;
- Provides any raw data regarding sex and gender on the City's open-data portal;
- Identifies and develops baseline metrics regarding the status of women and girls: and
- Publishes to the online Gender Equity Dashboard metrics and indicators related to the status of women and girls.

In alignment and support of Mayor Garcetti's commitment to achieving gender equality, the Workforce Development Board (WDB) will continue to strengthen its efforts to integrate a gender perspective into the design, implementation, monitoring, and evaluation of services provided through the Workforce Development System. Additionally the WDB will continue to actively collaborate with the City of Los Angeles Commission on the Status of Women to accelerate the implementation of this Executive Directive by enacting this policy.

**PROCEDURES**

**Data Gathering & Reporting**

In order to establish a baseline to determine whether workforce development programs and services meet the unique needs of women and men, girls and boys, and people of various gender identities, and of all racial backgrounds, all Workforce Development Service Providers shall gather data and report quarterly on the following data sets:

- Disaggregate data by gender, ethnicity and race for all WIOA funded workforce development programs for adults, dislocated workers, and youth by type of program to on the following:
  - Wage by gender and distribution in common jobs
  - Wage by race and ethnicity in common jobs
  - Employment by occupations

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- Training provided by industry sector and occupations
- School to career services for in-school and out-of-school youth
- Program enrollment and exit information by type
- Participation characteristics including: Veterans Status, Labor Force Status, School Status at Participation, Unemployment Insurance Status, Barriers to Employment, and Income/Public Assistance

The results will be reported quarterly as part of the City of Los Angeles Economic and Workforce Development Department's (EWDD) performance report to the: WDB, the Mayor's Gender Equity Team, and the City of Los Angeles Commission on the Status of Women. These data sets will be used to form a standard baseline to determine whether additional assessments of workforce development programs will be required to ensure that Angelenos benefit equally from Workforce Development Services.

**Outreach Efforts**

Workforce Development System providers shall ensure all outreach programs/efforts and materials are designed to meet the unique needs of women and men, girls and boys, and people of various gender identities.

**REFERENCES**

City of Los Angeles Workforce Development Board Annual Plan Year 19 2018-19

Letter from Jackie Filla, President of the Los Angeles City Commission on the Status of Women, Submitted as Public Comment during the Development of the City of Los Angeles Workforce Development Annual Plan Year 19 / 2018-2019.

Mayor Garcetti, Executive Directive Number 11, Gender Equity in City Operations, August 2015.

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## **Indirect Cost Rate Policy**

**EFFECTIVE DATE: JULY 1, 2019**

### **POLICY STATEMENT**

This policy provides guidelines and establishes the procedures for proposal, negotiation, and approval of indirect cost rate with the federal cognizant agency for indirect cost or the City of Angeles in appropriate cases.

Indirect (Facilities & Administrative (F&A)) Costs are those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. To facilitate equitable distribution of indirect expenses to the program, function, activity, award, organizational division, contract, or work unit served (2 CFR 200.28, Cost objective), it may be necessary to establish a number of pools of indirect (F&A) costs. Indirect (F&A) cost pools must be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived. (2 CFR 200.56)

An indirect cost rate is the ratio between the total indirect expenses and some direct cost base. The indirect cost allocation methods used by each organization depend on its own structure, program functions, and accounting system. The use of an indirect cost rate enables the organization to determine the proportion of indirect cost each program should bear.

### **PROCEDURES**

#### **SUB-RECIPIENTS WITH FEDERAL COGNIZANT AGENCY FOR INDIRECT COST**

- Develop and submit an Indirect Cost Proposal to your federal cognizant agency for indirect cost. The requirements for negotiation and approval of indirect cost rates are in Appendices III for Institutions of Higher Education (IHE), IV for Non-Profits, VII for State and Local Government (2 CFR 200.414(e); 2 CFR 200.57), and Federal Acquisition Regulations (FAR), Part 31.2, Contracts with Commercial Organizations, and FAR Part 42.7, Indirect Cost rates, for commercial entities (<https://www.acquisition.gov/Far/>). The U.S. Department of Labor, Office of Cost Determination, has issued a Guide for Indirect Cost Determination (<https://www.dol.gov/oasam/boc/dcd-2-cfr-guid.pdf>). Sub recipients must follow these requirements and regulations.

Indirect Cost Proposal is the documentation prepared by a non-Federal entity to substantiate its request for the establishment of an indirect cost rate (2 CFR 200.57) Cognizant Agency for Indirect Costs is the federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed on behalf of all Federal agencies. (2 CFR 200.19)

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- Upon negotiation and approval of an Indirect Cost Rate, submit a copy of the Indirect Cost Rate Agreement from the federal cognizant agency to the City of Los Angeles Economic and Workforce Development Department (EWDD), Financial Management Division (FMD) along with a copy of the indirect cost proposal submitted.
- This Indirect Cost Rate Agreement will be the basis for EWDD's approval of the sub-recipient's indirect cost rate, subject to funding availability and grant restrictions.
- For WIOA and those City contracts subject to an administrative cost cap/limit (currently at 4% of total contract), subrecipient must submit a detailed breakdown of its indirect cost components into administrative and program and the calculation of the proportion (percentage) of each category to the total indirect costs. If this breakdown and calculation is not submitted, indirect costs will be considered administrative. In addition, indirect program cost must be documented.
- The procedures or methodology for calculating indirect administrative and program costs are as follows:
  - Review all the costs included in the indirect pool and label them as program or administrative costs based on the WIOA definition (20 CFR 683.215, What WIOA functions and activities are subject to cost limitations)
  - Calculate the proportion (percentage) of total costs for each of the two categories.
  - Calculate the total dollar amount of indirect costs attributable to the particular WIOA program (i.e., apply the negotiated indirect cost rate to the specified base).
  - Apply the percentages of administrative and program as calculated to the total dollar amount of indirect costs to establish the dollar amount that is to be recorded/reported as administrative costs and the amount that is program costs for that particular program (U.S. Department of Labor One-Stop Comprehensive Financial Management Technical Assistance (TAG) Guide Part II).

**SUB-RECIPIENTS WITHOUT A FEDERAL COGNIZANT AGENCY**

- Submit your indirect cost rate proposal package to the City EWDD FMD consisting of the following:
- Worksheet(s) showing the computation of the indirect cost rate – (including notes for adjustments).
- Audited financial statements – The direct and indirect costs in the worksheet should be traceable and reconcilable with the costs in the audited financial statements.

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- A breakdown of its indirect cost components into administrative and program and the percentage of each to the total indirect costs. In accordance with 20 CFR 683.215 and One-Stop Comprehensive Financial Management Technical Assistance Guide Part II (TAG).
- Certificate of Indirect Costs signed by a staff at a level no lower than Executive Director or Chief Financial Officer.
- A cost policy statement that identifies what the agency consider as direct and indirect costs and the rationale to support those costs.
- Latest Organization Chart.
- A cover letter forwarding these documents to the Director, Financial Management Division.
- All other documents that the City may require.
- If the proposal is complete and approved, EWDD FMD will issue a formal letter stating the following:
  - a final rate and period covered
  - tentative rate and period covered, if applicable.
  - direct cost base (example direct salary, or total direct cost)
- The tentative rate will be revised and a final rate approved for the same period when a new indirect cost rate proposal is submitted the following year.

**DUE DATES TO SUBMIT AN INDIRECT COST PROPOSAL**

A non-profit organization which has not previously established an indirect cost rate with a Federal agency must submit its initial indirect cost proposal immediately after the organization is advised that a Federal award will be made and, in no event, later than three months after the effective date of the Federal award, except when the organization has elected to use the 10% de minimis rate. (2 CFR 200, Appendix IV C (2) (b))

A non-profit organization with previously submitted or established rates must submit a new indirect cost proposal to the cognizant agency for indirect costs within six months after the close of each fiscal year, unless an extension has been approved in accordance with the procedures stated below. (2 CFR 200, Appendix IV C (2) (c))

**EXTENSIONS**

Any non-Federal entity that has a current federally negotiated indirect cost rate may apply for a one-time extension of the rates in that agreement for a period of up to four years. This extension will be subject to the review and approval of the cognizant agency for indirect costs. If an extension is granted the non-Federal entity may not request a rate review until the extension period ends. At the end of the 4-year extension, the non-Federal entity must re-apply to negotiate a rate. Subsequent one-time extensions (up to

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four years) are permitted if a renegotiation is completed between each extension request (2 CFR 200.414(g)).

These rules on submission and extensions shall apply to indirect cost rates negotiated with the City.

**10% DE MINIMIS RATE**

2 CFR 200.414(f) allows any non-Federal entity (NFE) that has never received a negotiated indirect cost rate to charge a *de minimis* rate of 10% of modified total direct costs (MTDC).

The NFE may use of the 10% de minimis indirect cost rate for City Contracts indefinitely until it elects to negotiate an indirect cost rate.

In accordance with the provisions of the Uniform Guidance 2 CFR §200.414 (f), Indirect (F&A) Costs, the use of the 10% de minimis rate shall be based on the organization meeting the following eligibility criteria and requirements:

- The organization has never received a negotiated indirect cost rate from any Federal agency.
- The organization has never received a negotiated indirect cost rate from any City of Los Angeles (City) department or any local governmental agency.
- The 10% rate will be applied to Modified Total Direct Costs (MTDC), as defined in 2 CFR §200.68.
- MTDC shall include:
  - All direct salaries and wages, applicable fringe benefits,
  - Materials and supplies,
  - Services,
  - Travel, and
  - Up to the first \$25,000 of each sub award (regardless of the period of performance of the sub awards).
- MTDC shall exclude:
  - Equipment, capital expenditures,
  - Charges for patient care,
  - Rental costs,
  - Tuition remission, scholarships and fellowships,
  - Participant support costs, and

- The portion of each sub award in excess of \$25,000.  
Note: Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs.
- Costs must be consistently charged as either indirect or direct and not double charged or inconsistently charged as both (2 CFR §200.403, Factors affecting allow ability of costs).
- The organization is responsible for the proper use and application of the de minimis rate.
- The organization shall disclose its election to use the 10% de minimis rate in its budget proposals or modifications with the City.
- The organization is required to track all administrative costs as defined in 20 CFR §683.215 separately from program costs, including the administrative cost portion of the indirect cost pool. The total administrative costs may not exceed 4% of your award or actual expenditures, if lower. The organization must provide a breakdown of the indirect costs between administrative and program indicating the percentage of each to the total indirect cost. The same breakdown must be used in reporting its monthly expenditures. The City will not reimburse administrative costs in excess of the current 4% limit and/or costs that are inherently administrative but are classified and reported as program without adequate supporting documentation.
- Upon review of the request to use 10% de minimis rate, EWDD-FMD will issue a formal letter approving/disapproving the request based on the above criteria and requirements.
- The City - EWDD FMD will verify the organization's compliance with 2 CFR §200.414(f),
- 2 CFR §200.68, 2 CFR §200.403, 20 CFR §683.215, and City requirements.

## **REFERENCES**

- Title 2 Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements;
- Title 2 Code of Federal Regulations (CFR) Part 2900 Uniform Administrative Requirements, Cost Principles, and Audit Requirements – Department of Labor;
- 2 CFR 200.414 – Indirect (F&A) costs;
- 20 CFR 683.215, What WIOA administrative functions and activities constitute the costs of administration subject to administrative cost limitation?
- U.S. Department of Labor One-Stop Comprehensive Financial Management Technical Assistance Guide Part II, Chapter 11-5, Cost Classification, Indirect Costs pages 11-5-6 to 11-5-7.  
[https://www.doleta.gov/grants/pdf/TAG\\_PartII\\_July2011.pdf](https://www.doleta.gov/grants/pdf/TAG_PartII_July2011.pdf)

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- Federal Acquisition Regulations (FAR), Part 31.2, Contracts with Commercial Organizations, and FAR Part 42.7, Indirect Cost rates.  
(<https://www.acquisition.gov/Far/>)
- City Contract, Section 301 (F) Indirect Cost

(New PY 19-20)



## **Personally Identifiable Information (PII) Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

All programs receiving funding under the Workforce Innovation and Opportunity Act (WIOA) must protect all personally identifiable information (PII) and other sensitive information. All WIOA funded agencies are required to take aggressive measures to mitigate the risks associated with the collection, storage, and dissemination of sensitive data, including PII.

An agency's failure to comply with the requirements identified in this policy, or any improper use or disclosure of PII for an unauthorized purpose, may result in the termination or suspension of the agreement with the City, or the imposition of special conditions or restrictions, or such other actions as the City may deem necessary to protect the privacy of participants or the integrity of data.

### **BACKGROUND**

As part of its grant activities, the City of Los Angeles Workforce Development System (WDS) may have in their possession large quantities of PII relating to their organization and staff; partner organizations and their staff; and individual program participants. This information is generally found in personnel files, participant data sets, performance reports, program evaluations, grant and contract files and other sources.

### **Definitions**

- PII – Information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.
- Sensitive Information – Any unclassified information whose loss, misuse, or unauthorized access to or modification of could adversely affect the interest or the conduct of Federal programs, or the privacy to which individuals are entitled under the Privacy Act.
- Protected PII and Non-sensitive PII – The United States Department of Labor (DOL) has defined two types of PII: (1) Protected PII and (2) Non-sensitive PII. The differences between protected PII and Non-sensitive PII are primarily based on an analysis regarding the "risk of harm" that could result from the release of the PII.
  - Protected PII is information that if disclosed could result in harm to the individual whose name or identity is linked to that information. Examples of protected PII include, but are not limited to, social security numbers (SSNs), credit card numbers, bank account numbers, home telephone numbers, ages, birthdates, marital status, spouse names, educational

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history, biometric identifiers (finger prints, voiceprints, iris scans, etc.), medical history, financial information, and computer passwords.

- Non-sensitive PII, on the other hand, is information that if disclosed, by itself, could not reasonably be expected to result in personal harm. Essentially, it is stand-alone information that is not linked or closely associated with any protected or unprotected PII. Examples of non-sensitive PII include information such as first and last names, e-mail addresses, business addresses, business telephone numbers, general education, credentials, gender, or race. However, depending on the circumstances, a combination of these items could potentially be categorized as protected or sensitive PII.

**PROCEDURE**

Federal regulations require that PII and other sensitive information be protected. The WDS must secure transmission of PII and sensitive data developed, obtained, or otherwise associated with WIOA funds and must comply with all of the following:

- To ensure that such PII is not transmitted to unauthorized users, all PII and other sensitive data transmitted via e-mail or stored on CDs, DVDs, thumb drives, etc., must be encrypted. The WIOA funded agencies must not e-mail unencrypted sensitive PII to any entity.
- The City and all WIOA funded agencies must take the steps necessary to ensure the privacy of all PII obtained from participants and/or other individuals and to protect such information from unauthorized disclosure. All agencies must maintain such PII in accordance with the DOL Employment and Training Administration standards for information security described in this policy.
- The WIOA funded agencies shall ensure that any PII used during the performance of their agreement with the City has been obtained in conformity with applicable federal and state laws governing the confidentiality of information.
- The WIOA funded agencies further acknowledge that all PII data shall be stored in an area that is physically safe from access by unauthorized persons at all times.
- The WIOA funded employees and other personnel who will have access to sensitive/confidential/proprietary/private data (1) must be informed of the confidential nature of such information and of the safeguards required to protect such information; and (2) must be advised that, per federal and state laws, civil and criminal sanctions may be imposed for noncompliance.
- The WIOA requires that funded agencies have in place policies and procedures under which their employees and other personnel acknowledge (1) their understanding of the confidential nature of the data, (2) the requirements with which they are required to comply when handling such data, and (3) that they may be liable to civil and/or criminal sanctions for noncompliance with statutory nondisclosure requirements.

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- Grantees must not extract information from data supplied by the CalJOBS<sup>SM</sup> system for any purpose not stated in their contract agreement with the City.
- Access to any PII must be restricted to only those employees who need it in their official capacity to perform duties in connection with the scope of work in the agreement with the City.
- All PII data must be processed in manner that will protect the confidentiality of the records/documents and is designed to prevent unauthorized persons from retrieving such records by computer, remote terminal or any other means. Data may be downloaded to, or maintained on, mobile or portable devices only if the data are encrypted.
- The WIOA funded agencies must permit city, state, and federal staff to make onsite inspections during regular business hours for the purpose of conducting audits and/or conducting other investigations to assure that the WIOA funded agency is complying with the confidentiality requirements described in this policy.
- The WIOA funded agencies must retain data only for the period of time required to use it for assessment and other purposes, or to satisfy applicable Federal records retention requirements, if any. Thereafter, all data will be destroyed, including the degaussing of magnetic tape files and deletion of electronic data.

**Protecting PII**

- Before collecting PII or sensitive information from participants, the WIOA funded agencies must have participants sign releases acknowledging the use of PII for grant purposes only.
- Whenever possible, the use of unique identifiers for participant tracking instead of SSNs. While SSNs may initially be required for performance tracking purposes, a unique identifier could be linked to each individual record. Once the SSN is entered for performance tracking, the unique identifier would be used in place of the SSN for tracking purposes. If SSNs are to be used for tracking purposes, they must be stored or displayed in a way that is not attributable to a particular individual, such as using a truncated SSN.
- Use appropriate methods for destroying sensitive PII in paper files (i.e., shredding or using a burn bag) and securely deleting sensitive electronic PII.
- Do not leave records containing PII open and unattended.
- Store documents containing PII in locked cabinets when not in use.

**REFERENCES**

- Privacy Act of 1974
- Computer Security Act of 1987
- Title III of the E-Government Act of 2002
- Office of Management and Budget (OMB) M-0615, Safeguarding Personally Identifiable Information
- OMB M-06-19, Reporting Incidents Involving Personally Identifiable Information and Incorporating the Cost for Security in Agency Information Technology Investments
- Executive Order 13402 established the President's Task Force on Identity Thief

(New PY 19-20)

## **Single Audit Policy and Procedures**

EFFECTIVE DATE: JULY 1, 2019

### **POLICY STATEMENT**

This policy is to provide guidance to all Economic and Workforce Development Department (EWDD) subrecipients on the revised audit requirements for federal awards in accordance with the provisions of the Uniform Guidance 2 CFR 200, Sub Part F, 200.500 to 200.521, Audit Requirements.

### **POLICY AND PROCEDURES**

#### **Requirement for Audit:**

The Uniform Guidance 2 CFR 200.501 requires subrecipients that expend \$750,000 or more of Federal awards and sub awards during the entity's fiscal year to have a single audit or a program-specific audit.

Single Audit. A subrecipient that expends \$750,000 or more of Federal awards and sub awards during the entity's fiscal year must conduct a single audit.

Program-Specific Audit: When a sub recipient expends \$750,000 or more during the entity's fiscal year under only one Federal program, the sub recipient may elect to have a program-specific audit conducted in accordance with the provisions of the Uniform Guidance. The cost of a program specific audit is allowable to that program.

Exemption from Audit: When Federal awards and sub-awards expended are less than \$750,000 during the entity's fiscal year, a sub recipient is exempt from Federal audit requirements for that year. In those instances, EWDD requires the sub recipient to submit a written certification stating the exemption.

For-profit Subrecipient: The audit requirements at 2 CFR 200.500 to 200.521 do not apply to for-profit subrecipients. Those requirements make the pass-through entity responsible for establishing requirements, as necessary, to ensure compliance by for-profit sub recipients. In accordance with that direction, the City EWDD is requiring all for-profit sub recipients to follow the guidance established in this policy and procedures for the conduct of audits, either single audits or program specific audits, depending on whether the entity is multiple funded or receives only one source of Federal funds, and the level of total Federal expenditures incurred in the organization's fiscal year.

Subrecipients and Contractors: An auditee may simultaneously be a subrecipient and a contractor. Federal awards expended as a subrecipient are subject to audit. The payments received for goods or services provided as a contractor are not Federal awards.

**Frequency of Audits (2 CFR 200.504):**

Audits must be performed annually.

**Sanctions (2 CFR 200.505):**

In cases of continued inability or unwillingness to have an audit conducted in accordance with these requirements, the EWDD may impose sanctions which may include but are not limited to suspension of payments or termination. EWDD may, at its sole discretion, have a single audit or program specific audit conducted in accordance with the provisions of the Uniform Guidance. The cost of such audit will be chargeable to the subrecipient.

**Auditee Responsibilities (2 CFR 200.508):**

The auditee must:

- Procure or otherwise arrange for the audit (2 CFR 200.509, Auditor Selection).
- Provide EWDD with a copy of the engagement letter no later than 6 months prior to the audit submission due date.
- Prepare the appropriate financial statements and the schedule of expenditures of Federal awards for the fiscal year audited (2 CFR 200.510, Financial Statements).
- Promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan (2 CFR 200.511, Audit Findings)
- Provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit (2 CFR 200.508(d)).

**Report Submission:**

- The single audit report package must be completed and submitted electronically to the Federal Audit Clearinghouse (FAC) within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period (2 CFR 200.512, Report Submission).
- A copy of the single report must also be submitted within the same period stated above to :

Economic and Workforce Development Department  
City of Los Angeles  
1200 West 7th Street  
Los Angeles, CA 90017  
Attn: Financial Management Division (FMD) - Audit Section

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- If the due date falls on a Saturday, Sunday, or Federal holiday, the reporting package is due the next business day.
- The auditee must make copies available for public inspection. Auditees and auditors must ensure that their respective parts of the reporting package do not include protected personally identifiable information.

**Audit Documentation and Access to Documentation (2 CFR 200.517):**

The auditee must ensure that the auditor retains audit documentation and reports for a minimum of three years after the date of issuance of the auditor's report(s) to the auditee, unless the auditor is notified in writing by the cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or EWDD to extend the retention period.

When the auditor is aware that the Federal agency, EWDD, or auditee is contesting an audit finding, the auditor must contact the parties contesting the audit finding for guidance prior to destruction of the audit documentation and reports.

Audit documentation must be made available upon request to the cognizant or oversight agency for audit or its designee, cognizant agency for indirect cost, the General Accounting Office or EWDD and its representatives at the completion of the audit, as part of a quality review, to resolve audit findings, or to carry out oversight responsibilities. Access to audit documentation includes the right of the above agencies to obtain copies of audit documentation, as is reasonable and necessary.

**REFERENCES**

- Uniform Guidance 2 CFR 200, Sub Part F, Audit Requirements, 200.501 to 200.521
- Uniform Guidance 2 CFR 200, Sub Part D, Post Federal Awards Requirements, 200.331, Requirements for Pass-Thru Entities
- City Directive FMD 17-003, Audit Requirements-Policies and Procedures
- City Contract, Section 608, Audit and Inspections

(New PY 19-20)

## **Stand-In Cost Policy**

**EFFECTIVE DATE: July 1, 2019**

### **POLICY STATEMENT**

This policy establishes guidelines for the proposal and approval of stand-in cost to replace questioned/disallowed costs.

### **BACKGROUND**

Stand-in costs are non-Federal costs that may be substituted for disallowed grant costs identified through monitoring, audit, or other type of review, when certain conditions are met.

### **POLICIES & PROCEDURES**

Stand-in costs must meet the following criteria to be considered and accepted:

- Must be allowable costs that were actually incurred for the benefit of the funded program and paid by non-federal fund sources. Thus, for example, the dollar value of in-kind donations cannot be recognized as stand-in costs. Also, inasmuch as costs must be net of credits under the governing cost principles, the dollar value of discounts cannot be considered as an allowable grant costs.
- Must have been included within the scope of the organization's single audit (not necessarily tested but potentially subject to testing). This means that the costs must be recorded and included in the financial statements presented by the agency to the auditor for audit. Failure to include unbilled costs disqualifies the costs for stand-in consideration.
- Must have been accounted for in the sub recipient's financial system. This means that the unbilled expense must be recorded and documented in the books of accounts. It cannot be presented as a separate consideration outside the entity's accounting system.
- Must be adequately documented in the same manner as all other program costs. This means that the unbilled expense must be treated in a manner consistent with cost principles affecting other expenses, including but not limited to the cost allocation methodology, cost classification methodology, and supporting documentation requirements.
- Must be reported to the City in the period in which it was incurred. The sub recipient shall report stand-in on the Stand-in line item in its report of expenditures to the City. The subrecipient shall submit a written request to use stand-in costs stating the purpose, amount of stand-in and disallowed costs to be substituted, and the documentation to support the stand-in for City audit. City



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staff will make a determination whether the stand-in costs will be accepted as a resolution for disallowed /questioned costs.

The source of stand-in costs is intended to be limited to the same entity that incurred the disallowed costs. If the cause of the disallowed costs was fraud, then the City will not consider proposals of stand-in costs to substitute for such costs.

**Examples of Stand-In Costs:**

1. Staff salaries and benefits paid from the subrecipients' own general fund,
2. (2) Facility costs paid for by the contractor from its own general fund,
3. (3) Supplies, transportation expenses and other program related expenditure paid for by the subrecipient's own funds,
4. (4) Cash match (i.e., expenditures of the organization used as match) in excess of the required match may also be considered for use as stand-in costs.

**Exclusions to Stand-in Costs:**

Stand-in Costs cannot be created using circumstances or conditions that appear to be legitimate liabilities if no actual costs are incurred by any entity. Certain costs, including in-kind contributions, are not considered unpaid program liabilities, but rather as in kind match; therefore, they cannot be used as stand-in costs because they cannot be charged to the federal grant. Examples of other costs that are not Stand-in Costs include:

- Uncompensated overtime;
- Unbilled premises costs associated with fully depreciated publicly owned buildings;
- Discounts and rebates;
- Allocated costs derived from an improper allocation methodology; and
- Any State share of the cost of State and community college tuition.

**REFERENCES**

- US Department of Labor One-Stop Comprehensive Financial Management Technical Assistance Guide Part II, Chapter 12, Audits and Audit Resolution, pages 12-12 to 12-14, [https://www.doleta.gov/grants/pdf/TAG\\_PartII\\_July2011.pdf](https://www.doleta.gov/grants/pdf/TAG_PartII_July2011.pdf)
- 68 Comptroller General 247, B-208871.2, February 9, 1989, Procurement Payment/Discharge - Costs – Substitution, <https://www.gao.gov/products/464734>
- Employment Development Directive WIAD05-17, Audit Resolution, [https://www.edd.ca.gov/jobs\\_and\\_training/Active\\_Directives.htm](https://www.edd.ca.gov/jobs_and_training/Active_Directives.htm)

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## WIOA Grievance and Complaint Procedures

EFFECTIVE DATE: July 1, 2019

### POLICY STATEMENT

The principles and procedures set forth in this WIOA Title I Complaint Resolution Procedure shall be used by all WorkSource and YouthSource Centers, and subcontractors with the City of Los Angeles to resolve complaints which arise in connection with programs operated under the WIOA Title I grant funded programs.

### BACKGROUND

The City of Los Angeles, Local Workforce Development Area (LWDA), hereby establishes this Workforce Innovation and Opportunity Act (WIOA) Complaint Resolution Procedure pursuant to Title 20 CFR Section 683.600-683.650, [Subpart F—Grievance Procedures, Complaints, and State Appeals Processes]; and, Title 29 CFR Part 38, [Implementation of the Nondiscrimination and Equal Opportunity Provisions of the Workforce Innovation and Opportunity Act]. The City's Workforce Innovation and Opportunity Act, WIOA, Title I programs are administered by the Workforce Development Division (WDD) of the Economic & Workforce Development Department (EWDD).

### POLICIES

#### Retaliation Prohibition

No person, organization or agency may discharge, or in any other manner discriminate or retaliate against any person, or deny any person a benefit to which that person is entitled under the provisions of the WIOA Title I regulations because such person has filed any complaint, instituted or caused to be instituted, any such proceeding or investigation, or has provided information or assisted in an investigation.

#### Confidentiality

The identity of any person who has furnished information relating to, or assisting in, the investigation of a possible violation of the Act shall be confidential to the extent possible, consistent with a fair determination of the issues.

In any case where the alleged violation of the Act or WIOA Title I regulations is also an alleged violation of another law, regulation or agreement, nothing shall preclude an individual or an organization from filing a complaint or grievance under the other law or agreement with respect to the non-WIOA Title I cause of action, as well as filing a complaint under the WIOA Title I in accordance with the procedures described herein.

#### Time Frames

All time frames specified in these procedures refer to consecutive calendar days including weekends and holidays. *When the time frame stated refers to a receipt of notice mailed certified return receipt requested, the time frame shall commence when*

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*the Postal Service first attempts delivery; (i.e., leaves a notice). It is the responsibility of all parties to pick up mail in a timely manner.*

“Complaint” means a written expression by a party alleging a violation of the Act, regulations promulgated under the Act, recipient grants, sub-agreements, or other specific agreements under the Act.

**WORKSOURCE/YOUTHSOURCE CENTERS’ COMPLAINT REQUIREMENTS**

Each of the designated WorkSource/YouthSource Centers has the duty and responsibility to ensure that the WorkSource/YouthSource Agency is in compliance with the provisions of the WIOA complaint resolution procedure and shall work cooperatively with the City of Los Angeles’ designated EO Compliance Officer to process all complaints filed with their agency involving WIOA Title I funded participant activities.

**Orientation**

At Orientation, each participant in the WIOA Title I program will be provided with a copy of the Summary of the WIOA Complaint Resolution Procedure. Each participant will sign a receipt indicating that he or she has received the complaint information and that receipt, along with a copy of the Summary of the Complaint Procedures, shall be maintained in the participant’s file. This information shall be provided in other languages and in electronic format upon request.

These procedures will be available for use by all individual entities, including unsubsidized employees in an employment activity operating with WIOA Title I funds, participants in an employment activity operated with WIOA funds, subcontractors of LWDA, entities and individuals that are applicants for WIOA program funding, labor unions, community based organizations, education agencies, private employers and other interested parties.

**TYPES OF COMPLAINTS COVERED UNDER WIOA**

There are four distinct procedures for filing WIOA complaints. The WIOA Complaint procedures cover the following types of complaints:

1. Program Complaint (Noncriminal)
2. Discrimination Complaint
3. Questioned/Disallowed Costs Complaint
4. Fraud, Waste and Abuse [20 CFR Part 683, Subpart B, Administrative Rules, Costs, and Limitations]

Program complaint issues covered by the WIOA are:

**Displacement [§683.270 & §680.840]**

A participant in a program or activity authorized under Title I of WIOA must not displace (including a partial displacement, such as a reduction in the hours of non-overtime work, wages, or employment benefits) any currently employed employee (as of the date of the

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participation). Where an employment activity would violate a collective bargaining agreement, the regulations provide that the appropriate affected labor organization and employer must provide written concurrence before the employment activity can be undertaken. The employment or assignment of a WIOA participant or the filling of a position is prohibited when the employer has terminated any regular, unsubsidized employee or otherwise reduced its workforce with the intent of filling the vacancy with a WIOA participant. A WIOA participant may not be employed or assigned to a position where the employer has caused an involuntary reduction to less than full time in hours of an employee in the same or substantially equivalent job.

Health and Safety [§683.280]

Health and safety standards established under the Federal and State Law otherwise applicable to working conditions of employees are equally applicable to working conditions of participants engaged in programs and activities under Title I of the WIOA.

Workers' Compensation: To the extent that workers' compensation law applies, workers' compensation must be provided to participants in programs and activities under Title I of the WIOA **on the same basis as the compensation provided to other individuals in similar employment.**

**NOTE:** In the case of a complaint alleging a violation of health and safety standards by a contractor (employer), the contractor will be required to demonstrate its compliance with State and Federal regulations governing health and safety requirements for that industry [e.g., CAL/OSHA certification].

Wage and Labor Standards [§683.275 & §684.920]

Individuals in On-The-Job training or employed in activities under Title I of the WIOA must be paid at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience and skills. Such rates must be in accordance with applicable law [Fair Labor Standards Act of 1938, Section 6(a)(1) 29 U.S.C. 206(a)(1) or applicable State or local minimum wage law].

Violation of the Act, grant or agreement (including retaliation), [WIOA Section 188(a)]:

- Terms and conditions of WIOA participant employment (On-the-Job Training, Customized Training, Work Experience)

Complaints filed under this section relate only to the terms and conditions of WIOA participant employment. Typical complaints under this section include disputes over wages or working hours, working conditions, employee and/or training evaluations and disciplinary actions, including termination for cause. The responsibility for resolving the complaint rests initially with the employer and/or contractor.

Discrimination Complaints [WIOA Section 188, 29 CFR Part 38]

**PROGRAM COMPLAINTS: WIOA TITLE 20 CFR §683.600 (Subpart F)**

These procedures will guide the receipt, hearing and resolution of noncriminal complaints filed at the City of Los Angeles LWDA level for complaints relating to WIOA programs and services.

**REFERENCES**

- WIOA Section 181
- Title 20 CFR §683.600
- Title 29 CFR §38.35
  
- Only a complaint which alleges a violation of the WIOA, regulations promulgated under the Act, recipient grants, sub-agreements, or specific agreements under the Act, including terms and conditions of **participant** employment, may be filed.
- Complaints may be brought by any individual or organization including, but not limited to: WIOA applicants/participants, contractors, collaborators, vendors (ITA's), staff of the LWDA or contractors, applicants for participation or financial assistance, labor unions, community based organizations or any other interested persons.
- With the exception of complaints alleging fraud or criminal activity, the filing of a noncriminal complaint must be made within 1 year of the alleged occurrence.
- A complainant who has not exhausted this procedure may appeal directly to the Governor's Office if the LWDA has not rendered a decision within the 60 days of the filing of the complaint specified in the procedures, if the complainant believes the LWDA's complaint procedure is not in compliance with the WIOA.

**FILING OF A WIOA COMPLAINT:**

Per WIOA regulations, every complaint must be in writing before the official complaint resolution process will commence. The complaint must be signed and dated. *A written complaint may be submitted via facsimile or scanned and sent as an e-mail attachment.*

The complaint must contain the following information:

- The full name, mailing address and telephone number of the Complainant;
- The full name, mailing address and telephone number of the Respondent;
- A clear and concise statement of the facts and dates describing the alleged violation(s);
- The provisions of the Act, regulations, grant or other agreements under the WIOA believed to have been violated. Complaints against individuals, including staff or participants, must indicate how those individuals did not comply with the WIOA law, regulation, or contract;

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- ❑ Complaints may be amended to correct technical deficiencies at any time up to the time of the hearing. Complaints may not be amended to add new issues. The 1 year time period in which a complaint may be filed is not extended for complaints that are re-filed with amendments. Complaints may be withdrawn at any time prior to the issuance of the hearing officer's decision;
- ❑ The remedy to the complaint which would satisfy the Complainant; If the Complainant fails to cooperate or is unavailable, the complaint may be dismissed upon reasonable notice to the last known address of the Complainant;
- ❑ It is the responsibility of both the Complainant and the Respondent to notify the City of Los Angeles' EO Compliance Unit of any change of address.

**LEVEL ONE — FILE WITH THE WORKSOURCE/YOUTHSOURCE CENTERS**

- The WorkSource Center/YouthSource Center receiving WIOA funds through the Workforce Development Division grant programs agree to adopt the City of Los Angeles' WIOA Complaint Resolution procedures.
- It is the policy of the City of Los Angeles, LWDA, that complaints under WIOA should be resolved at the lowest level possible. Therefore, under the City of Los Angeles' WIOA complaint resolution procedures, complaints filed under the WIOA (with the exception of those complaints involving allegation(s) of discrimination) must first be filed with the designated EO Complaints Officer at the WorkSource/YouthSource Center level.
- The WorkSource/YouthSource Center must notify the City LWDA within 24 hours of the receipt of a written WIOA complaint. The notification should be sent to:

**City of Los Angeles  
Economic & Workforce Development Department  
1200 West 7<sup>th</sup> Street, 6<sup>th</sup> Floor  
Los Angeles, CA 90017  
Attn: Richard Cheng, EO Compliance Officer**

**Telephone: (213) 744 - 9351  
Fax: (213) 744 - 7118  
TTY: (213) 744 - 7290  
E-Mail: [Richard.Cheng@LACity.Org](mailto:Richard.Cheng@LACity.Org)**

- The City of Los Angeles, LWDA, reserves the right to intervene in the processing of any WIOA complaint at the informal resolution stage in order to assist in resolution, clarify the issues, provide technical assistance, conduct the informal resolution meeting or schedule a hearing before an impartial hearing officer in order to ensure due process and compliance with the 60 day time limit required for resolution pursuant to the WIOA regulations.

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- The WorkSource/YouthSource Center has ten (10) days from the receipt of the written complaint to schedule and conduct an informal complaint resolution meeting at the WorkSource/YouthSource Center level.
- After the complaint is accepted, the Complainant will be notified by the WorkSource/YouthSource Center, in writing, of the date, time and place of the informal resolution meeting. At the informal resolution meeting an attempt to resolve the complaint will take place. Respondents must make “good faith” efforts to resolve all complaints prior to scheduling an administrative hearing in the matter.
- Failure on the part of any party in the complaint to exert good faith efforts shall not constitute a basis for dismissing a complaint, nor shall this be considered to be a part of the facts to be judged in the resolution process. The LWDA or sub-grantees must assure that every complaint not resolved informally is given a formal hearing, regardless of the complaint’s apparent merit or lack of merit.
- In the event of an informal resolution of the WIOA complaint at the WorkSource/YouthSource Center level, the WorkSource/YouthSource Center will provide a written settlement agreement to the Complainant which describes the issues, provides the date of the informal resolution meeting, the attendees, and the terms of the agreement which has been reached by the parties as full and complete settlement of the complaint. The written agreement will be signed by the Executive management or their authorized representative and the Complainant. A copy of the signed settlement agreement will be maintained in the Complainant’s participant file, in the complaint log of the WorkSource Center and at the LWDA level for audit purposes. A copy of the signed settlement agreement will be faxed to the City LWDA EO Compliance Unit within 24 hours.
- If no resolution is reached, the Complainant will be notified immediately in writing of the impasse and his/her right to request an administrative hearing. The WorkSource/YouthSource Center will also mail a copy of the notice of impasse certified mail return receipt requested. The request for administrative hearing must be made in writing; it may be transmitted by facsimile or e-mail.

**Individual Training Account (ITA) Complaint Procedures**

**A. Denied Training Complaint Procedures**

Should a participant be dissatisfied with a denial of request for training, the participant may request a WorkSource/YouthSource Center (WSC/YSC) ITA Panel review. A participant’s request for WSC ITA Review Panel must be made within five (5) working days of the notification of the denial of the request for training. The WSC ITA Review Panel will **only** review requested training denial that is determined not to be in a demand occupation, or on issues relating to the assessment process. Denial based on training requests exceeding maximum limit (\$7,500 for 12 months technical training) is reviewed on a case-by-case basis.

The WSC ITA Review Panel will be comprised of staff with decision-making authority and business members with industry-specific knowledge of technical skill sets. The

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panel should establish a written policy formulating the procedures the panel will follow in reviewing training denials.

The WSC ITA Review Panel must complete its review within five (5) working days of the request for review. The decision of the WSC ITA Review Panel must be made in writing, and be included in the participant's file. The WSC must notify the participant and the City LWDA EO Compliance Unit of a panel denial. The WSC also must notify the participant of the right to request a review by the City LWDA within five (5) days of the notification of denial. The complaint must be in writing, signed and dated; and addressed to the City of Los Angeles Economic & Workforce Development Department at the address provided above.

**B. Individual Training Accounts (ITA) Program Complaint Procedures**

Participants who have program complaints while attending training must file their complaint with the WorkSource Center's EO Complaints Officer. The WorkSource Center shall maintain procedures for resolving disputes involving ITA participants in accordance with the requirement of the WIOA and City LWDA Complaint Procedures. The WorkSource Center must forward a copy of a complaint filed with them against an ITA provider school to the City LWDA within 24 hours of the receipt of a written WIOA complaint.

ITA Program Complaints, including claims that the training received at the ITA vendor school was incomplete or deficient, are handled by the WorkSource Center's EO Complaints Officer in accordance with the WIOA Complaint Procedures. The WorkSource Center shall have ten (10) days from the date of the receipt of the written complaint to schedule and conduct an informal resolution meeting with the participant and, if applicable, the ITA training provider in order to resolve the complaint informally. The WorkSource Center will then memorialize in writing the outcome of the informal resolution meeting to resolve the complaint. The WorkSource Center will provide the Complainant with a written copy of the outcome (i.e., settlement agreement, a statement of impasse) within five (5) days of the informal resolution meeting.

*ITA complaints alleging discrimination are to be filed with the City of Los Angeles LWDA EO Compliance Unit.*

**Participants' Terms & Conditions of Employment Complaints (OJT)**

Each WorkSource/YouthSource Center is required to establish procedures for resolving complaint matters relating to the terms and conditions of **participant** employment. In addition, third party contractors (OJT/Customized Training) are also required to establish and maintain procedures for resolving disputes involving the terms and conditions of **participant** employment. At a minimum these procedures must include the following:

- Written notice, upon enrollment into employment or training programs, of the scope and availability of such procedures. Contractors' complaint procedures shall be set forth in a written document and shall stipulate that a complaint will be resolved



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within 20 days of the date the complaint was filed. A copy of the contractors'/OJT employers' complaint resolution procedure shall be provided to each participant upon his/her enrollment into the program and at the time of placement into the job.

- Written notice, at the time the complaint is filed, of the procedures under which the complaint will be processed.
- Written notice to the City LWDA EO Compliance Unit of the complaint within 24 hours of receipt of the written complaint.
- Written notification of the disposition of the complaint, and the reasons therefore, which shall be issued within 25 days of the filing of the complaint. *If the employer is required to use a certain grievance procedure under a covered collective bargaining agreement, then these procedures should be followed for the handling of the WIOA complaints under this Section.*
- Written notification of the Complainant's right to request a review of the WorkSource Center or third party contractor's decision by the City of Los Angeles Economic & Workforce Development Department. Such requests for review must be filed within five (5) days upon the receipt of the contractor's written decision. The request for review shall include the following information:
  - ❑ The full name, telephone number and mailing address of the party requesting the review;
  - ❑ The name, address and telephone number of the other party;
  - ❑ A copy of the written decision issued by the employer and/or WIOA contractor;
  - ❑ A statement of why the request for review is being made and/or the section of the decision to be reviewed;
  - ❑ A statement of the relief (i.e., remedy) being sought.

Requests for review should be sent to:

**City of Los Angeles  
Economic & Workforce Development Department  
1200 West 7<sup>th</sup> Street, 6<sup>th</sup> Floor  
Los Angeles, CA 90017  
Attn: Richard Cheng, EO Compliance Officer**

**Telephone: (213) 744 - 9351  
Fax: (213) 744 - 7118  
TTY: (213) 744 - 7290  
E-Mail: Richard.Cheng@LACity.Org**

**LEVEL TWO — REVIEW BY THE CITY OF LOS ANGELES LWDA**

If an informal resolution cannot be reached at the WorkSource Center level, the Complainant may request that an administrative hearing be scheduled before an impartial hearing officer. Request for an administrative hearing at the LWDA level should be made within five (5) days of the Complainant's receipt of the written decision at the WSC level that an impasse has been reached in settling the complaint matter. This request can be transmitted by facsimile or e-mail. The request should be sent to

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the City of Los Angeles' Economic & Workforce Development Department at the address above.

- If time permits and the parties agree, the LWDA may conduct an informal resolution meeting prior to scheduling the hearing.
- Prior to the hearing, the Complainant may amend his/her complaint to correct technical deficiencies but not to add issues. The amendment must be submitted in writing to the City of Los Angeles' EO Compliance Officer at the address given above.
- Prior to the hearing, the Complainant and Respondent are entitled to technical assistance from the City LWDA EO Compliance Unit. However, the City LWDA EO Compliance Unit *cannot provide legal advice.*
- Prior to the hearing, the Complainant and Respondent are entitled to reasonable discovery requests for production of documents by the date specified in the notice of administrative hearing. In the event of a dispute, the hearing officer shall make the final determination of reasonable request for document production.
- Prior to the hearing, the Complainant and Respondent are entitled to request witnesses by the date specified in the notice of administrative hearing. Please note that the City LWDA *does not have subpoena power* in these matters. Neither the Complainant nor the Respondent has the right to conduct a deposition of prospective witnesses.
- The recommendation(s) of the hearing officer are reviewed by the General Manager, Economic & Workforce Development Department. The General Manager may adopt or reject, in whole or in part, the findings and/or recommendation(s) of the hearing officer and will render the Final Determination for the City of Los Angeles Local Workforce Development Area (LWDA) within 60 days of filing of the complaint.

**ADMINISTRATIVE HEARING [For Both Program & Discrimination Complaints]**

- The administrative hearing will be conducted by an impartial hearing officer who has been appointed by the General Manager, Economic & Workforce Development Department.
- Hearings on any complaint will be conducted within 30 days of the filing of the complaint.
- Within ten (10) days of the hearing, written notice of the date, time and place of the hearing, the manner in which it will be conducted, the issues to be decided and the rights of the parties will be sent to the Complainant and Respondent(s) by Certified Mail/Return Receipt Requested.
- Interested parties may also apply for the notice of hearing by contacting the EO Compliance Office. An interested party is defined as a person or organization potentially affected by the outcome. The notice to other interested parties will include the same information furnished to the Complainant and Respondent and state whether such interested parties may participate in the hearing and, if applicable, the method by which they may request such a hearing.

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- Any request to withdraw a complaint *must be in writing* and received prior to the scheduled hearing.
- Requests to reschedule a hearing must also be made in writing and for good cause. Requests must be made at least 72 hours prior to the scheduled hearing. The General Manager, Economic & Workforce Development Department, will make the final decision on such requests. *Should any party fail to appear at the hearing without prior notice, the hearing officer may rule to continue the hearing in their absence.*
- Any party may be represented by an attorney or other representative at his/her own expense. The City LWDA cannot appoint an attorney to represent either party nor can the LWDA provide legal advice to either party. Any party represented by an attorney or other representative shall inform the EO Compliance Unit in advance of the hearing.
- Either party may bring witnesses and documentary evidence.
- Either party may have records or documents relevant to the issues produced by their custodian when such records or documents are kept by either party in the ordinary course of business. The Complainant may also request that the employees and/or participants of the Respondent, who have knowledge of the pertinent facts in the complaint, be available to testify at the hearing. Any requests for records, documents, and/or persons serving as witnesses must be made in writing and must first be submitted to the EO Compliance Unit of the Economic & Workforce Development by the date specified on the notice of administrative hearing. The request must specify which records, documents, and/or individuals are presumed to be relevant to the issue(s) set forth in the complaint.
- The hearing officer will have the discretion to determine issues of relevancy at the time of the hearing. Failure on the part of either party to supply information and/or make persons available that have been requested may result in sanctions imposed by the hearing officer and/or the City LWDA. If the failure is on the part of the Respondent (e.g., WIOA service provider/contractor) it may be considered a breach of the Respondent's WIOA contractual agreement with the City.
- The hearing will be conducted in an informal manner with strict rules of evidence not being applicable. Both parties have the right to present written and/or oral testimony and arguments; the right to call and question witnesses in support of their position; the right to examine records and documents relevant to the issues; and the right to be represented. The hearing will be recorded electronically.

**FINAL DETERMINATION**

No later than 60 days after the filing of the program complaint or 90 days after the filing of a discrimination complaint, the General Manager, Economic & Workforce Development Department, will notify the Complainant and Respondent in writing of the recommendation(s) of the hearing officer and the "Final Determination" of the Economic & Workforce Development Department. The written decision will contain the following information:

- The name(s) of the parties involved;
- A statement of the alleged violation(s) and the issues related to the alleged violations;
- A statement of the facts;
- The hearing officer's recommended decision and the reasons for the decision;
- The General Manager's review of the hearing officer's recommendation(s) and the Final Determination at the LWDA level;
- A statement of corrective action or remedies for violations, if any, to be taken; and,
- Notice of the right of either party to request a review of the decision by the State Review Panel within ten (10) days of the receipt of the decision.

**Appeal of Decision/Final Determination of a Program Complaint**

If the Complainant does not receive a decision at the LWDA level within 60 days of the filing of the complaint, or receives an adverse decision, the complainant has the right to file an appeal with the State. The Complainant may request a State hearing by submitting a written notice of appeal to:

**Chief, Compliance Review Division, MIC-22-M  
Employment Development Department  
P.O. Box 826880  
Sacramento, CA 94280-0001**

**LEVEL THREE – STATE APPEAL PROCESS FOR PROGRAM COMPLAINTS**

- The State Review Panel (SRP) will review appeals of decisions issued at the LWDA level. The SRP will not conduct any evidentiary hearings, but will review the record established by the LWDA and issue a decision on the basis of the information contained therein.
- A request for a State review of the LWDA's decision must be filed in writing and mailed to the Compliance Review Division (CRD) within ten (10) days of the receipt of the decision by the appealing party. The request for review should contain the following information:
  - Full name, telephone number, and mailing address of the Complainant;
  - Full name, telephone number, and mailing address of the Respondent;
  - A copy of the local hearing officer's decision;
  - A copy of the Final Determination issued by the LWDA;
  - A brief statement of the reasons a State review is being requested. The statement must specify the errors of fact and/or statutory and regulatory interpretations that are alleged to have been made by the hearing officer/LWDA. If appropriate, the statement must identify the elements of the hearing officer's decision to be reviewed; and,
  - A statement of the remedy sought by the appellant. If not provided elsewhere in the appeal, the appellant must provide a statement setting forth the

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arguments presented to the local hearing officer that the appellant considers to support the appropriateness of the remedy he or she is seeking.

On receipt of the Complainant's appeal of the adverse decision, the State shall provide for an independent review by SRP. The CRD will notify the parties concerned and the LWDA administrative entity or sub grantee by first class mail of the request for the State review of the local hearing officer's decision. The SRP's decision will be final and issued to both the Complainant and the respondent by first class mail.

**STATE GRIEVANCE COMPLAINT PROCEDURES FOR PROGRAM COMPLAINTS**

- If no decision has been issued at the LWDA or sub grantee-level within the 60 day time limit, a Complainant may file a complaint with the State.
- A request for an initial State hearing must be filed within 15 days, or if mailed, postmarked within 15 days of one of the following dates:
  - The date on which the LWDA or sub grantee should have issued a decision regarding a locally filed grievance complaint.
  - The date after the filing of complaint when an instance of restraint, coercion, reprisals, or discrimination was alleged to have occurred as a result of filing the complaint.
- *A request for a State hearing relating to allegedly deficient LWDA and sub grantee complaint procedures, and to allegations of improper actions as a consequence of a grievance complaint, should be filed immediately.*

Requests for State hearings shall be filed in writing to the Compliance Review Division (CRD), at the address listed below and must include the following information:

- Full name, telephone number, and mailing address of the Complainant;
- Full name, telephone number and mailing address of the LWDA or sub grantee;
- A statement of the basis of the request;
- Copies of the relevant documents, such as the grievance complaint filed at the LWDA or sub grantee.

**Employment Development Department  
Compliance Review Division, (CRD)  
P.O. Box 826880, MIC-22M  
Sacramento, CA 94280-0001**

On receipt of the request for State hearing, if an evidentiary hearing was held at the LWDA level, the State shall request the record of the hearing from the LWDA and shall review the record without scheduling an additional hearing. If an evidentiary hearing was not held at the LWDA level, the State shall instruct the LWDA to hold a hearing within 30 days of receipt of the appeal or request for EDD review.

## **DISCRIMINATION COMPLAINTS**

### **RESOLUTION OF WIOA COMPLAINTS ALLEGING DISCRIMINATION ON THE BASIS OF RACE, COLOR, RELIGION, SEX (INCLUDING PREGNANCY, CHILDBIRTH AND RELATED MEDICAL CONDITIONS, SEX STEREOTYPING, TRANSGENDER STATUS, AND GENDER IDENTITY), NATIONAL ORIGIN (INCLUDING LIMITED ENGLISH PROFICIENCY), AGE, DISABILITY, POLITICAL AFFILIATION OR BELIEF, RETALIATION, PARTICIPATION IN A WIOA PROGRAM, AND CITIZENSHIP, WHERE APPROPRIATE.**

The City of Los Angeles, Local Workforce Development Area (LWDA) has assured the U.S. Department of Labor (DOL) and the State of California Employment Development Department (EDD) that no one enrolled in the City's WIOA program will be discriminated against because of race, color, religion, sex (including pregnancy, childbirth and related medical conditions, sex stereotyping, transgender status, and gender identity), national origin (including Limited English Proficiency), age, disability, political affiliation or belief, retaliation, participation in a WIOA program, and citizenship, where appropriate. This means that:

- No benefits may be denied a WIOA participant because of race, color, religion, sex (including pregnancy, childbirth and related medical conditions, sex stereotyping, transgender status, and gender identity), national origin (including Limited English Proficiency), age, disability, political affiliation or belief, retaliation, participation in a WIOA program, and citizenship, where appropriate while being registered, interviewed, counseled, tested, or while working, engaged in a work activity or attending class as part of the program;
- WIOA participants must be provided with the same opportunities to use all the facilities available in the program as any other participants;
- Fair employment practices shall be provided to all employees with regard to recruitment, selection, assignment, transfer, promotion, training, compensation, benefits and termination regardless of race, color, religion, sex (including pregnancy, childbirth and related medical conditions, sex stereotyping, transgender status, and gender identity), national origin (including Limited English Proficiency), age, disability, political affiliation or belief, retaliation, participation in a WIOA program, and citizenship, where appropriate;
- In addition, sexual harassment is against the law. Acts of sexual harassment are grounds for a discrimination complaint based under Title VII of the Civil Rights Act of 1994;
- A discrimination complaint may be filed within 180 days of the alleged discrimination, either with the City of Los Angeles, Local Workforce Development Area (LWDA) grant recipient, or with the Department of Labor, Civil Rights Center (CRC).

### **PROCEDURES FOR DISCRIMINATION COMPLAINTS FILED WITH THE CITY OF LOS ANGELES LWDA**

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Any person who believes that he or she or any specific class of individuals has been, or is being, subjected to discrimination prohibited by the nondiscrimination and equal opportunity provisions of the WIOA regulations may file a written complaint or a representative may file the complaint on his or her behalf. Complaints filed with the City LWDA should be mailed directly to:

**City of Los Angeles  
Economic & Workforce Development Department  
1200 West 7<sup>th</sup> Street, 6<sup>th</sup> Floor  
Los Angeles, CA 90017  
Attn: Richard Cheng, EO Compliance Officer**

**Telephone: (213) 744 - 9351  
Fax: (213) 744 - 7118  
TTY: (213) 744 - 7290  
E-Mail: Richard.Cheng@LACity.Org**

Complaints should be filed in writing and shall:

- Be signed and dated by the Complainant or his/her representative;
- Contain the Complainant's name, address, telephone or other means of contacting him/her;
- Identify the Respondent; and,
- Describe the Complainant's allegation in sufficient detail to allow the LWDA EO staff to determine whether: (1) LWDA or CRC has jurisdiction over the complaint; (2) the complaint was filed timely (i.e., within 180 days of the occurrence); and (3) the complaint has apparent merit, (i.e., whether the allegations, if true, would violate any of the nondiscrimination and equal opportunity provisions of the WIOA);
- Each Complainant and Respondent has the right to be represented by an attorney or other individual of his or her own choice;
- Complaints may be submitted by facsimile but not by e-mail.*

The EO Compliance Officer will issue a written acknowledgement of receipt by the LWDA of the complaint alleging discrimination by a WIOA Title I recipient. The notice will include the Complainant's right to representation in the complaint process. A copy of the complaint will be forwarded to the Equal Employment Opportunity Office, Employment Development Department.

**Alternative Dispute Resolution (ADR)**

The Complainant will be offered ADR immediately upon receipt of the discrimination complaint. *The choice of whether to use ADR rests with the Complainant.* The preferred form of ADR is mediation.

Mediation is a voluntary process during which a neutral third party assists both parties (Complainant and Respondent) in communicating their concerns and come to an agreement to resolve a dispute. The mediator does not make decisions, rule as to who

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is right or wrong, nor take sides or advocate for one side or the other. The role of the mediator is to help with communication so that the parties can reach an understanding about how to resolve their differences.

*As the law allows, mediation proceedings and the information shared are confidential and no information divulged during this mediation may be used in court or any legal or administrative proceedings.*

If the parties do not reach an agreement under ADR, the Complainant may file directly with the Civil Rights Center (CRC) as described below. A party to any agreement reached under ADR may file a complaint with the CRC in the event the agreement is breached. In such circumstances, the following rules apply:

The non-breaching party may file a complaint with the CRC within 30 days of the date on which the non-breaching party learns of the alleged breach.

The CRC will evaluate the circumstances to determine whether the agreement has been breached. If the CRC determines that the agreement has been breached the Complainant may file a complaint with the CRC based upon his or her original allegation(s), and the CRC will waive the time deadline for filing such a complaint.

**CONCILIATION**

*If the Complainant elects not to participate in the ADR process, the EO Officer will investigate the circumstances underlying the complainant. At any point in the investigation of the complaint, the Complainant, the Respondent, or the EO Officer may request that the parties attempt conciliation. The EO Officer shall facilitate such conciliation efforts.*

Conciliation is a process whereby the parties to a dispute agree to utilize the services of a conciliator, who then meets with the parties separately in an attempt to resolve their differences. Conciliation differs from mediation in that the goal is to conciliate, most of the time by seeking concessions.

If the conciliator is successful in negotiating and understanding between the parties, said understanding will be committed to writing and signed by the parties. The “agreement” then becomes a legally binding contract and falls under contract law.

The LWDA has 90 days to issue a Notice of Final Action.

For complaints filed with the City LWDA, an investigation of the complaint shall be conducted and a written report shall be prepared and sent to the Complainant and the Respondent, and an attempt to resolve the complaint informally shall take place within 30 days of the filing of the complaint.

- A notice of administrative hearing shall be issued within ten (10) days of the request for hearing. A notice of Final Determination shall be issued within 90 days of the filing of the complaint. The “Notice of Final Determination” shall



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include notification of the right to file a complaint with the Department of Labor, Civil Rights Center (CRC).

- If the Complainant is dissatisfied with the resolution of the complaint, they may file a complaint with CRC within 30 days of the date that the Complainant received notice of the LWDA's proposed resolution. If the Complainant has not received notice of resolution within 90 days of filing, the Complainant may file the complaint with the CRC.
- If the Complainant wishes to file a complaint with CRC, the Complainant must wait until the LWDA issues a decision or until 90 days have passed since the filing of the original complaint with the LWDA.

**Discrimination Complaints filed with the Center of Civil Rights (CRC):**

A complaint filed pursuant to this part must be filed within 180 days of the alleged discrimination. The CRC, for good cause shown, may extend the filing time. In order to receive an extension, the Complainant must be notified by the LWDA that a waiver letter is to be filed with CRC. The waiver letter should include the reason the 180 day time period elapsed.

This time period for filing is for the administrative convenience of the CRC and does not create a defense for the Respondent. Complaints filed with the Civil Rights Center should be mailed directly to:

**Director  
Civil Rights Center (CRC)  
U.S. Department of Labor  
200 Constitution Avenue N.W., Room N-4123  
Washington, D.C. 20210.**

- Complaints should be filed, in writing, and shall:
  - Be signed by the Complainant or his or her representative;
  - Contain the Complainant's name, address, or other means of contacting him or her;
  - Identify the Respondent;
  - Describe the Complainant's allegation in sufficient detail to allow the CRC to determine whether: (1) the CRC or the LWDA, has jurisdiction over the complaint; (2) the complaint was filed timely (i.e., within 180 days of the alleged occurrence); and, (3) the complaint has apparent merit, (i.e., whether the allegations, if true, would violate any of the nondiscrimination and equal opportunity provisions).
  - Both the Complainant and the Respondent have the right to be represented, at their own expense, by an attorney or other individual of their own choice.

**Actions by CRC:**

- The CRC determines acceptance of a complaint filed pursuant to Title 29 CFR Section 38.72. When CRC accepts a complaint for investigation it shall:
- Notify the LWDA or sub grantee and the Complainant of the acceptance of the complaint for investigation; and,
- Advise the LWDA or sub grantee and Complainant on the issues over which the CRC has accepted jurisdiction;
- The LWDA, sub grantee, the Complainant, or a representative may contact the CRC for information regarding the complaint filed.
- When the complaint contains insufficient information, the CRC will seek the needed information from the Complainant. If the Complainant is unavailable after reasonable means have been used to locate him or her, or the information is not furnished within 15 days of the receipt of such request, the complaint file may be closed without prejudice upon notice sent to the Complainant's last known address.
- The CRC may issue a subpoena to the Complainant to appear and give testimony and/or produce documentary evidence, before a designated representative, relating to the complaint being investigated. Issuing a subpoena can be done anywhere in the United States, at any designated time or place.
- Where the CRC lacks jurisdiction over a complaint, the CRC shall:
  - ❑ Advise the Complainant, indicating why the complaint is not covered by the nondiscrimination and equal opportunity provisions outlined in WIOA or Title 29 CFR Part 38; and
  - ❑ Refer the Complainant to the appropriate federal, state, or local authority when possible.
- The CRC will contact the Complainant when a claim is not to be investigated and explain the basis for that determination.
- The CRC will refer complaints governed by the Age Discrimination Act of 1975 to mediation as specified in Title 45 CFR Section 90.43(c)(3).
- If the Complainant alleges more than one kind of complaint, "joint complaint," (e.g., individual employment discrimination, age discrimination, equal pay discrimination, etc.), the CRC shall refer such joint complaint to the Equal Employment Opportunity Commission (EEOC) for investigation and conciliation procedures for joint complaints at Title 29 CFR Part 1691. The CRC will advise the Complainant, the LWDA, and the subgrantee of the referral.
- At the conclusion of the investigation, the CRC shall issue an Initial Determination. The Initial Determination shall notify the Complainant and the LWDA, or subgrantee, in writing of:
  - ❑ Specific findings of the investigation;

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- Proposed corrective or remedial action and the time by which the corrective or remedial action must be completed;
- Whether it will be necessary for the LWDA or subgrantee to enter into a written agreement and;
- The opportunity to participate in voluntary compliance negotiations.
- Where no cause determination is made, the Complainant and the LWDA or subgrantee shall be notified in writing. Such determination represents the final agency action of the Department.

Corrective Actions/Sanctions for Discrimination

Letter of Findings, Notice to Show Cause, or Initial Determination issued pursuant to Title 29 CFR Section 38.87; shall include the steps and the specific time period it will take the LWDA or subgrantee to achieve voluntary compliance. (See Section 38.90 for corrective action steps.) **Monetary corrective action may not be paid from federal funds.**

The “Final Determination” will be mailed to the Complainant and Respondent. The “Final Determination” will contain the information as described above, with the exception that the Complainant has the right to file a complaint with the Department of Labor Civil Rights Center (refer to Alternative Dispute Resolution section).

**QUESTIONED/DISALLOWED COSTS COMPLAINTS**

**INITIAL DETERMINATION:**

The contractor will be notified in writing by letter of the Initial Determination based on the audit review by the Workforce Development Division (WDD), or Audit Section Financial Management Division (FMD), as appropriate. The Initial Determination letter will include:

- A list of all questioned costs;
- Whether the costs are allowed or disallowed, including the reasons with appropriate citations for such actions;
- Acceptance or rejection of any corrective action taken to date, including correction on administrative findings;
- Possible sanctions; and,
- The opportunity for an informal resolution of no more than 60 days from the date of the Initial Determination.

**INFORMAL RESOLUTION**

- The contractor will have ten (10) days in which to request an informal resolution of the audit issues. The request must be in writing to the EO Compliance Unit.
- During the informal resolution, the contractor may provide documentation to support allowability of costs and proposed action of administrative findings. Negotiations of repayments may be initiated at this time.

**FINAL DETERMINATION:**

- The FMD will issue a Final Determination. The Final Determination will include:
  - Reference to the Initial Determination;
  - Summation of the informal resolution meeting, if held;
  - Decisions regarding the disallowed costs listing each disallowed cost and noting the reason for each disallowance;
  - Questioned costs that have been allowed by the LWDA and the reason for the allowance;
  - Demand for payment of the disallowed costs;
  - Description of the debt collection process and other sanctions that may be imposed if payment is not received;
  - Rights to a hearing;
  - Status of each administrative finding.
- The contractor will have 21 days after the Final Determination is issued to submit a written request for hearing with the EO Compliance Unit, EWDD. *If there is no appeal request, the Department's Final Determination shall be submitted to the Mayor for consideration by the Economic Development Committee (EDC) of the City of Los Angeles City Council.*
- The contractor will receive written notice of the scheduled hearing at least ten (10) days before the hearing. The ten (10) day notice may be shortened with the written consent of both parties. The contractor may withdraw the hearing request; the withdrawal request must be submitted in writing.
- The hearing officer's report, which will be completed within 20 days after the conclusion of the hearing, and any other reports or documentation, will be submitted to the Mayor for transmittal to the EDC. The EO Compliance Unit, EWDD, will notify the contractor of the date of the EDC meeting and provide the contractor with a copy of the Department's report to the Mayor on the hearing officer's findings and recommendations.
- For appeal of costs over \$500,000, the hearing officer's report, which will be completed within 20 days after the conclusion of the hearing and any other reports or documentation, will be submitted to the Mayor for transmittal to the EDC. EO Compliance Unit, EWDD will notify the contractor of the date of the EDC meeting and provide the contractor with a copy of the Department's report to the Mayor, on the hearing officer's findings and recommendations.
- The EDC will review the matter and may allow testimony by the parties in accordance with its rules and procedures.

**New Policies  
DRAFT**

- The recommendation of the EDC will be sent to the City Council and Mayor for final consideration. The contractor will be notified in writing of the final decision of the City Council and Mayor. The written notification will include the items listed in Section C and shall be given 60 days from the date of the receipt of the contractor's request for appeal.
- In the event costs in addition to those recommended for disallowance by EWDD are disallowed by the Mayor and Council, the opportunity for a hearing concerning the additional disallowed cost matter will be at the Mayor, and Council level.
- If the contractor does not appeal the final finding of the Local Workforce Development Area (LWDA), the contractor shall agree to a repayment plan within 30 days of the final decision of the City Council, and Mayor, or program funds may be discontinued.

**FRAUD & PROGRAM ABUSE COMPLAINTS**

The reporting requirements for Fraud and Program Abuse require that "information and complaints involving criminal, fraud, waste, abuse or other criminal activities shall be reported through the Department's Incident Reporting System, directly and immediately to the Department of Labor, Office of Inspector General, with a copy provided simultaneously to the Employment Development Department." WIOA contractors are required, therefore, to establish internal management procedures which insure that the City of Los Angeles LWDA is *notified immediately* of any discovery of possible fraud, program abuse, or criminal activities.

Types of fraud include, but are not limited to: embezzlement, forgery, theft, falsification of records and claims regarding trainees (e.g., knowingly enrolling ineligible participants); misapplication of funds (e.g., intentional service to ineligible participants, violation of contact procedures); gross mismanagement (e.g., un-auditable records, unsupported costs, inaccurate fiscal and/or program reports and payroll deductions not made to the Internal Revenue Service of the State of California Franchise Board).

**The LWDA is not permitted to release information concerning an ongoing investigation except with the consent of the investigation agency/authority.**  
Notification of any such discovery should be made within 24 hours to:

**City of Los Angeles  
Economic & Workforce Development Department  
1200 West 7<sup>th</sup> Street, 6<sup>th</sup> Floor  
Los Angeles, CA 90017  
Attn: Richard Cheng, EO Compliance Officer**

**Telephone: (213) 744 - 9351  
Fax: (213) 744 - 7118  
TTY: (213) 744 - 7290  
E-Mail: Richard.Cheng@LACity.Org**

(New PY 19-20)