

PERSONNEL, AND HIRING COMMITTEE REPORT relative to proposed First Amended and Restated Professional Services Agreement (Contract No. C-140215) with Cornerstone OnDemand, Inc. (Cornerstone) to provide access to an online training portal and learning management system for City employees.

Recommendation for Council action:

AUTHORIZE the General Manager, Personnel Department, to execute, the First Amended and Restated Professional Services Agreement (Contract No. C-140215) with Cornerstone to:

- a. Increase the expenditure authority by \$1,066,886 resulting in a not to exceed compensation of \$4,625,436.
- b. Extend the term by an additional three years effective February 11, 2022 through February 10, 2028.
- c. Update the City's standard contracting provisions to include the "Standard Provisions for City Contracts (Rev. 1/25)[v.1]," subject to approval as to form by the City Attorney.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that partial funding for the Agreement is available within the Personnel Department's Contractual Services Account under the line items for Employee Training and Development and Succession Planning. The contract authority that exceeds the budgeted funding is for optional services under the fee schedule, which provides for spending flexibility should additional funding be identified. Historically, other Departments, including the Department of Cannabis Regulation and the Bureau of Sanitation, have also procured services through this Agreement.

Community Impact Statement: None submitted.

TIME LIMIT FILE – APRIL 5, 2025

(LAST DAY FOR COUNCIL ACTION – APRIL 4, 2025)

Summary:

On March 14, 2025, your Committee considered a February 5, 2025 CAO report relative to proposed First Amended and Restated Professional Services Agreement (Contract No. C-140215) with Cornerstone to provide access to an online training portal and learning management system for City employees. According to the CAO, the proposed Agreement continues the scope of services, and provides an updated fee schedule for the additional three years. The original Agreement was executed for a term of two years and total compensation not to exceed \$2,364,300. The Personnel Department

subsequently executed a First Amendment, which added one additional year for the current term of three years and increased compensation by \$1,194,250 for a new total of \$3,558,550.

It is now requested to increase the compensation by an additional \$1,066,886 resulting in a total expenditure authority of \$4,625,436. The Agreement obligates the City to pay subscription fees for user licenses and online training content to use the Contractor's LMS, which totaled \$1,525,250 in the first three years of the Agreement. The Agreement also allows the City to acquire optional services, including additional training content and services. The total amount expended to date, including the subscription fees and optional services, is \$1,732,250. During the extended three-year term, the subscription fees are \$566,311.72 annually, for a total of \$1,698,935.16.

The Personnel Department is also authorized to utilize up to \$650,000 in optional services during the remaining three years of the proposed Agreement, subject to the availability of budgeted funding. The Agreement was originally executed as a result of a competitive Request for Proposals process conducted in 2021. The Contractor has provided similar Services to the City since 2016 under the previous Contract No. C-127047.

In accordance with Charter Section 1022, the Personnel Department determined that City employees do not have expertise to perform the scope of work outlined in this Agreement because of the proprietary nature of the systems and software. In accordance with Los Angeles Administrative Code Section 10.5(a), Council approval of the Agreement is required because the cumulative term exceeds three years. Pursuant to Executive Directive No. 3 (Villaraigosa Series), the approval of the Mayor is required because the total compensation exceeds \$25,000. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendation contained in the CAO report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Personnel and Hiring Committee

COUNCILMEMBER	VOTE
McOSKER:	YES
RODRIGUEZ:	ABSENT
HUTT:	YES

ARL

3/14/25

-NOT OFFICIAL UNTIL COUNCIL ACTS-