

CITY OF LOS ANGELES

CALIFORNIA



Workforce Development Board
City of Los Angeles

Workforce Development Board
CHARLES WOO
CHAIR



KAREN BASS
MAYOR



**Economic and Workforce
Development Department**
CAROLYN M. HULL.
GENERAL MANAGER

March 20, 2024

Council File Number:
Council Districts: All
Contact Persons & Phone:
Gerardo Ruvalcaba (213) 744-7233

The Honorable Karen Bass
Mayor, City of Los Angeles
Room 303, City Hall

City Council
c/o City Clerk
Room 395, City Hall

Attention: Heleen Ramirez, Legislative Coordinator

REPORT FROM THE ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT (EWDD) RELATIVE TO PROGRAM YEAR (PY) 2022-23 ANNUAL PLAN CARRY-IN SAVINGS AND RECOMMENDATIONS TO MODIFY THE PY 2023-24 (JULY 1, 2023 – JUNE 30, 2024) WORKFORCE DEVELOPMENT ANNUAL PLAN AND ITS STRATEGIES, ACTIVITIES, AND BUDGET

SUMMARY

The General Manager of the Economic and Workforce Development Department (EWDD) and the Chair of the Workforce Development Board (WDB) respectfully submit this transmittal which recommends that the City Council adopt the Year 24 PY 2023-24 Annual Plan Carry-In Report (Carry-In Report), approve EWDD's proposed modifications to the Carry-In Report Budget, and ensure the uninterrupted provision of services to City residents. The total revenue for the Year 24 WDB Annual Plan is \$114,518,086.

RECOMMENDATIONS

The General Manager of the EWDD requests that the City Council approve the following:

1. ADOPT the EWDD PY 2023-24 Carry-In Report;
2. APPROVE the proposed modifications to the PY 2023-24 WDB Annual Plan Budget (See Attachment 1);
3. AUTHORIZE the General Manager, EWDD, or designee, to:
 - a. Reallocate prior year savings from programs funded by the City General Fund, including, Cash for College, Day Laborer Program, Hire LA, Los Angeles Regional Initiative for Social Enterprise (LA:RISE); YouthSource

Centers (YSC), Summer Youth Employment, Angeleno Corps, and Student to Student; Californians for All and reallocate prior year savings from the LA:RISE Youth Academy Homeless Housing Assistance and Prevention (HHAP) programs;

- b. Negotiate and execute agreements and or amendments to agreements necessary to implement the strategies and activities contained in this report, subject to approval by the City Attorney as to form and legality;
4. AUTHORIZE EWDD to extend WorkSource Center (WSC) contracts through December 31, 2024 while the department completes the WSC Redesign and the 5-Year Strategic Planning processes.
5. AUTHORIZE the Controller to implement the Controller Instructions in Attachment 3; and
6. Authorize the General Manager, EWDD, or designee to prepare additional Controller instructions and any necessary technical adjustments that are consistent with Mayor and Council action required to implement the modified Year 24 Annual Plan budget, subject to the approval of the City Administrative Officer (CAO) and authorize the Controller to implement the instructions.

FISCAL IMPACT

The recommendations contained in this report will not impact the City General Fund. This transmittal reflects a net increase of \$3.2 million over original revenue projection of \$111,509,246 presented in the PY 2023-24 Annual Plan. Based on new revenues and modifications identified in this report, the total revenue in the Year 24 WDB Annual Plan is \$114,689,986.

This report complies with City financial policies that allow reimbursement up to grant limitations. The total WIOA administrative costs reflected in the modified Annual Plan budget is within the mandated 10 percent administrative limit.

BACKGROUND

The WDB Annual Plan requires that EWDD prepare a report that identifies: 1) all Carry-In funds from prior program years; and 2) adjustments to actual revenues received for the current program year. The WDB Annual Plan requires that EWDD present this report to the WDB, City Council, and Mayor along with recommendations for the proposed use of such funds.

On June 28, 2023, the City Council adopted the Year 24 Annual Plan which included an estimated Workforce Innovation and Opportunity Act (WIOA) budget of \$46,934,937 million (C.F. 23-0602).

This report includes a discussion related to the following items: A) New Revenues and Carry-In Funds; B) Modifications to the Annual Plan Budget; and C) A statement relative to the WIOA Administrative CAP Limit.

NEW REVENUES AND CARRY-IN FUNDS

EWDD has received the final allocation for all grants identified in the Year 24 PY 2023-24 Annual Plan. In addition, EWDD has completed the fiscal year close-out of PY 2022-23. Attachment 2 is a list of all funding sources and a comparison of the projected and actual PY 2023-24 new revenues and carry-in funds from prior program years.

The total revenue to date for EWDD is \$114,689,986. This amount represents \$3.2 million increase over original revenue projection of \$111,509,248 presented in the PY 2023-24 Annual Plan. Table 1 provides a detailed comparison of grant amounts adopted in the Year 24 Annual Plan, modifications to the original amounts (revised), and the net change (increase/decrease).

Table 1: New Revenues – Net (INCREASE / DECREASE) – (\$ 7,733,004)

Funding Source	Carry-In Report	Adopted Annual Plan	Increase/ (Decrease)
WORKFORCE INNOVATION & OPPORTUNITY ACT (WIOA) FORMULA:			
Adult	16,279,373	16,279,373	0
Dislocated Worker	10,119,363	10,119,363	0
Youth	14,437,648	16,137,648	(1,700,000)
Rapid Response	898,553	898,553	0
Subtotal	41,734,937	43,434,937	(1,700,000)
WIOA DISCRETIONARY			
Severe Winter Storms	2,100,000	2,100,000	0
Quest NDWG	500,000	500,000	0
Prison to Employment	2,412,661	3,000,000	(587,339)
Subtotal	5,012,661	5,600,000	(587,339)
CALIFORNIA FOR ALL YOUTH			
Early Childhood Education - SAP	239,761	239,761	0
LA Community College Pathways	220,371	220,371	0
Student to Student	256,521	256,521	0
Subtotal	716,653	716,653	0
LA CITY PROGRAMS			
Cash for College	49,000	49,000	0
Day Laborer	1,081,910	1,081,910	0
GIC Settlement (LARCA 2.0)	6,304,917	6,300,000	4,917
Hire LA	285,000	285,000	0
LA:RISE	3,000,000	3,000,000	0
Summer Youth Employment	3,000,000	3,000,000	0
YouthSource Centers	563,462	572,660	(9,198)
Subtotal	14,284,289	14,288,570	(4,281)
LA COUNTY GRANTS			
JJCPA Probation	298,300	295,500	2,800
LA:RISE Measure H	3,000,000	3,000,000	0
Performance Partnership Pilot (P3)	228,200	228,179	21
Project Invest	693,200	693,200	0
Relay Institute	50,000	50,000	0
Systems Involved Youth	1,967,400	1,046,000	921,400

WIOA Formula	343,800	343,600	200
Youth at Work-CalWorks	1,874,400	2,898,100	(1,023,700)
Youth at Work-OUY	5,338,700	3,624,159	1,714,541
Youth at Work-Foster	653,700	563,600	90,100
Subtotal	14,447,700	12,742,338	1,705,362
OTHER FUNDS & ANTICIPATED REVENUES			
Bank of America	0	120,000	(120,000)
EWDD SYEP - Other Sources	110,000	0	110,000
Regional Equity Recovery Partnership	1,663,254	1,800,000	(136,746)
Returning Citizens Housing Stability	1,000,000	1,000,000	0
Anticipated Revenue – WIOA	0	7,000,000	(7,000,000)
Subtotal	2,773,254	9,920,000	(7,146,746)
TOTAL NEW REVENUES	78,969,494	86,702,498	(7,733,004)

Table 2: Carry-In Funds – Net Increase/Decrease – \$ 10,913,744

Funding Source	Carry-In Report	Adopted Annual Plan 12/7/22	Increase/ (Decrease)
WORKFORCE INNOVATION & OPPORTUNITY ACT (WIOA) FORMULA			
Adult	2,600,000	1,500,000	1,100,000
Dislocated Worker	3,500,000	1,000,000	2,500,000
Youth	2,000,000	1,000,000	1,000,000
Subtotal	8,100,000	3,500,000	4,600,000
WIOA DISCRETIONARY			
Farmer Johns	850,000	845,000	5,000
September Wildfires	297,000	325,000	(28,000)
Subtotal	1,147,000	1,170,000	(23,000)
COMMUNITY DEVELOPMENT BLOCK GRANT			
Childcare Initiative – COVID-19	557,000	226,000	331,000
Subtotal	557,000	226,000	331,000
CALIFORNIANS FOR ALL YOUTH			
Angeleno Corps	6,254,196	6,254,196	0
Clean LA	310,330	310,330	0
Digital Ambassador	0	45,487	(45,487)
Early Childhood Education -SAP	542,865	366,817	176,048
Edible Food Waste Recovery	6,810	6,810	0
LA Community College-City Pathways	1,579,620	1,579,620	0
LA Community Composting	27,737	27,737	0
LA RISE Youth Academy	1,738,933	1,738,933	0
LA River Rangers	169,554	169,554	0
Non-Profit Apprenticeship	184,666	184,666	0
Student to Student Success	4,245,662	4,245,662	0
Summer Night Lights	160,473	160,473	0
Teen Parent Prosper	32,321	32,321	0
Youth & Community Harvest Internships	678,627	678,627	0
Digital Ambassador	444,887	0	444,887
Northeast Trees	715,000	650,000	65,000
Hire LA Youth	364,405	0	364,405

Hire LA's Youth Platform Expansion	123,720	123,720	0
Subtotal	17,579,806	16,574,953	1,004,853
LA CITY PROGRAMS			
Angeleno Corps	632,992	750,000	(117,008)
ARPA - Digital Inclusion	266,000		266,000
ARPA - Vision Lab	802,000	803,500	(1,500)
Day Laborer Program	186,400		186,400
GIC Settlement (LARCA 2.0)	361,013	400,000	(38,987)
Hire LA	147,000		147,000
LA:RISE	873,000	250,000	623,000
LA RISE Exp-ABH/Tiny Home	262,000		262,000
LA RISE Expansion - CD 10	107,000		107,000
LA:RISE-HHAPP	239,000		239,000
Prison to Emp Re-Entry - CD 5 & 8	127,197		127,197
Summer Youth Emp Program	890,000	500,000	390,000
Youth Jobs Training Prog CD 7	2,636,389		2,636,389
YouthSource Center	167,000	200,000	(33,000)
Subtotal	7,696,991	2,903,500	4,793,491
LA COUNTY GRANTS			
Juvenile Day Reporting Center	432,295	432,295	0
Subtotal	432,295	432,295	0
OTHER FUNDS			
Bank of America	120,000	0	120,000
EWDD SYEP – Other Sources	87,400	0	87,400
Subtotal	207,400	0	207,400
TOTAL CARRY-IN FUNDS	35,720,492	24,806,748	10,913,744

Table 3 – Summary of Revenues

New Revenues	78,969,494
Carry-In Funds	35,720,492
TOTAL	114,689,986

As summarized on Table 3, the \$3.2 million net increase in funding consists of \$7.7 million decrease in New Revenues as identified on Table 1 that is offset by a \$10.9 million increase in Carry-In or prior year savings as identified on Table 2.

PROPOSED MODIFICATIONS TO THE ANNUAL PLAN

The recommendations in this report propose to modify the adopted PY 2023-24 Annual Plan Budget as displayed on Table 4:

On December 13, 2023, the Workforce Development Board adopted the following modifications to the PY2023-24 Annual Plan as displayed on Table 4:

Table 4: Proposed Modifications

	WIOA Formula	Other Workforce Grants	Total
EWDD Program Oversight	165,818	(1,144,494)	(978,676)
Workforce Dev Board Support (EWDD & Mayor)	(333,033)	(24,806)	(357,839)
Other City Departments	(74,323)	61,352	(11,440)
WorkSource & YouthSource Centers	1,822,000	6,265,697	8,087,697
Other Service Providers	100,000	(6,233,33)	(6,133,303)
Supporting Program Activities	1,219,539	1,321,948	2,541,487
TOTAL	2,900,001	247,925	3,147,926

**The Adopted Annual Plan total budget exceeded the total revenue by \$32,814. This error will be corrected in this Carry-in report.*

Below are detailed descriptions of the proposed modifications identified on Table 4. It is noted that the dollar amounts included in the subheadings correspond to the increase or decrease funding amount recommended. Funding amounts for new programs are also identified below.

EWDD Program Oversight – (\$978,676)

EWDD program oversight reflects a reduction of \$999,894. This reduction is the result of 1) realizing savings resulting from department vacancies and 2) a reduction in the CAP Rates charged by the City of Los Angeles to EWDD staff.

Workforce Development Board Support - (\$ 357,839)

Similarly, the WDB Board and Mayor's Office budget were reduced due to the reduction in the CAP Rates charged to EWDD.

Other City Departments – (\$11,440)

The reduction also reflects update to the CAP rates.

Supporting Program Activities

- *Audit Fees - \$211,000*
The increase will cover additional CPA services needed to assist the Financial Management Division with the fiscal monitoring reviews of subrecipients for other Workforce grants.
- *WDB Innovation Fund – \$200,000*
The WDB Innovation fund is increased by \$200,000, for a new total of \$1.4 million. This funding will be available to support new innovative initiatives stemming from the various strategic planning initiatives, including the 5-Year Strategic Plan, Older Worker Strategy and Apprenticeship Network.
- *Invoice Processing Consultant – (\$125,000)*
The WDB previously authorized EWDD to contract with consultants to support the FMD with processing a backlog of service provider invoices. After further consideration, EWDD decided to not proceed with this approach.
- *Cash for College - \$40,000*
This initiative will increase the City's support the L.A. Cash for College (L.A. CFC) campaign. L.A. CFC is reimagining its approach to financial aid completion by

hosting a series of Regional Super Saturdays. Traditionally, L.A. Cash for College has hosted a singular, in-person college fair typically in or around Downtown Los Angeles. While the event is an exciting opportunity for local students and communities, there are too many students and families from historically marginalized and racialized communities who are unable to attend due to transportation challenges and/or other economic determinants. Thus, making it difficult—if not impossible—to access financial aid resources and support available at this event.

- *Crossroads Policy Forum - \$30,000*
Crossroads Policy Forums have been used the Workforce Development Board to convene workforce and education leaders around critical workforce development issues. Prior Crossroads have led to the development of innovative programming such as the YouthSource Centers and early childhood education strategies. This funding will support a new Crossroads event scheduled for Spring of 2024 focused on youth health.
- *WorkSource Center System Redesign Evaluation - \$250,000*
The WDB Board approved a contract with the California State University Northridge (CSUN) to conduct a WorkSource Center System Redesign evaluation to identify ways to improve its service delivery system, connect program participants to high-wage jobs, and reduce inequities among program participants.
- *Inside Safe - \$388,992*
Funds will be used to expand the Job Connectors program which will support the integration of the City's Workforce Development System with Inside Safe housing initiatives and other critical systems of care. The program will fund additional Inside Safe Job Connectors across the Workforce Development System to assist recently housed individuals connect to a job or training through one of the city's WorkSource or YouthSource Centers. The job connectors will be assigned to a specific region of the City at identified Inside Safe housing sites. To stabilize participants in the City's employment programs, Inside Safe Job Connectors will also assist with referrals for individuals participating in the city's employment programs to be considered for housing via the Inside Safe initiative.
- *Prison to Employment (P2E) Expansion - \$500,000*
Funded by the State, the P2E program is an innovative program that seeks to increase employment outcomes for returning citizens. EWDD is proposing to expand the original program to establish an additional three (3) reentry hubs for a total of eight (8) service sites. The new hubs will include Harbor Area / Wilmington, South San Fernando Valley and South LA.
- *Older Worker Strategic Plan - \$250,000*
The WDB approved a contract with Cause Impacts to develop a strategic plan to address the workforce needs for older workers. Study show that workers are staying in the workforce longer and therefore it is imperative that the City's workforce development system deploy effective strategies to support their unique needs.
- *LA Regional Cleantech Academy - \$175,000*
This initiative will support YouthSource Center participants with the highest barriers to employment access high quality jobs in cleantech industries. The proposed Cleantech Career Academy, in partnership with Unite LA, will provide career pathway into high road occupations offering higher wages and upward mobility.

The academy provides young people from under-resourced communities with early experience in the labor market (a predictor of higher job quality in adulthood) while successfully transitioning through essential work-based learning (WBL) activities and finally paid work experiences.

- *Disability Consultant – (\$200,000)*
EWDD had proposed procuring a contractor to support the expansion of workforce development services in the WorkSource and YouthSource systems. However due to staffing capacity, this procurement will be delayed until PY2024-25.
- *High Road Training Partnership Consultant - \$100,000*
In PY24, EWDD launched 8 HRTTP in critical sectors within the Los Angeles economy including Biotechnology/Biosciences, Advanced Manufacturing, Renewable Energy, Information Technology, Entertainment/Film Industry, and Transportation and Logistics. This funding will support the implementation of HRTTPs by contracting with the UCLA Labor Center to provide technical support to EWDD and funded-HRTTPs. The UCLA Labor Center, previously contracted by the California WDB to evaluate the statewide program, has developed key tools that would support the City's implementation.
- *Hire LA Platform - \$410,000*
To innovate and enhance the Hire LA Youth program for youth participants, EWDD launched an automated application platform and redesigned the program to include tiers. The platform allows youth to apply for subsidized work experience, select a provider, and provide demographic and career interest information. At the same time, the tiers create a progressive program with differing levels of support and experiences for youth. The additional funds are needed to develop the City's youth workforce infrastructure capabilities for California For All projects. Platform enhancements and updates to the TAY work-readiness curriculum and instruction support the infrastructure goals for successful implementation for all youth.
- *Peer to Peer – \$160,000*
EWDD proposes to increase funding for the Peer-to-Peer Counseling Pilot initiative to train up to 70 YSC program participants in mental health counseling. The goal is to develop peer counselors that work with program participants in need of mental health services through both group counseling and advocacy.
- *YSC Youth Councils - \$140,000*
This endeavor aims to bring authentic youth voice to our system by creating 14 site-based councils. The youth will build community, and champion causes that impact their futures. The YouthSource redesign ensures that all YSCs have councils and allows youth to lead and actively participate in creating programmatic successes. Their voices will shape each community and region's programs, activities, and opportunities. Youth Councils must meet quarterly and are expected to build authentic leadership skills.
- *SEEDS - \$100,000*
EWDD proposes to increase funding for the Student Engagement, Exploration, and Development in STEM (SEEDS) Program. The SEEDS program is a partnership with the Youth Development Department (YDD) and the University of Southern California (USC) that employs low-income STEM students from local colleges to provide mentorship support, academic assistance, and hands-on enrichment activities at the USC Campus and remotely in the areas of science,

technology, engineering, and mathematics to underserved elementary school students.

- *Early Childhood Education (ECE) / Social Impact Collective – (\$108,043)*
This initiative supports the development and implementation of the City’s early childhood education workforce strategies. Funded by the California for All – Youth Workforce Program (CFA), this initiative will fund an agreement with Social Impact Collective to provide technical assistance and project management for the CFA Early Childhood program.
- *Workforce Transformation Fellow - \$20,000*
In PY2022-23, the City received a small grant from Jobs for the Future (JFF) to support the WDS develop human-centered design strategies in the WorkSource Center program. This grant will support the redesign of the WSC program.

Service Providers – \$ 1,954,394

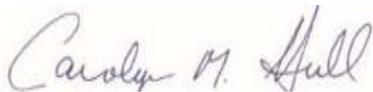
This increase reflects new funding allocations for WorkSource, YouthSource and Other Service Providers. This includes the allocation of increased WIOA carry-in amounts, the allocation of previously unallocated City General Fund, LA County Youth@Work and other discretionary funding. This also includes the reduction of “Anticipated Revenues” included in the Annual Plan.

WIOA ADMINISTRATIVE CAP LIMIT

WIOA funds are subject to a 10 percent administrative cap as set forth in the WIOA Final Rule 20 CFR Parts 683.205 and 683.215. These specific administrative functions, as defined in the federal regulations, include City administrative salaries and corresponding fringe benefits and expenses, City central services (indirect costs), WIOA’s share of City Attorney, Controller, and Personnel Department’s support costs, and the administrative costs of the WSC. The total WIOA administrative costs reflected in the modified Annual Plan budget is within the mandated 10 percent administrative limit.

WDB ACTION

On December 13, 2023, in accordance with the Workforce Development Board-Local Elected Officials (WDB-LEO) Agreement, the WDB Executive Committee considered the PY 2023-24 Carry-In Report and the proposed modifications to the 2023-24 Annual Plan, however, was unable to officially approve due to lack of quorum. The WDB reconsidered and approved the Carry-in Report at its March 7, 2024 meeting.



CAROLYN M. HULL
General Manager



CHARLES WOO, Chair
Workforce Development Board

CMH:GR:cg

Attachments: 1. Modified Annual Plan Budget Schedules
2. Revenues: Actual vs. Projected Schedules
3. Carry-In Report Controller Instructions