

ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT relative to the Workforce Development Board (WDB) Year 22 Annual Plan (Annual Plan) for Program Year (PY) 2021-22.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ADOPT the WDB Year 22 Annual Plan for PY 2021-22 (Annual Plan) and its supporting budget as detailed in the June 16, 2021 City Administrative Officer (CAO) reports, attached to the Council File; and AUTHORIZE the General Manager, Economic and Workforce Development Department (EWDD), or designee, to implement the Annual Plan consistent with the recommendations contained in the June 16, 2021 CAO report, attached to the Council File.
2. APPROVE and implement all proposed new policies included in the PY 2021-22 Annual Plan as detailed in the June 17, 2021 Chief Legislative Analyst report, attached to the Council File.
3. REQUEST the WDB and INSTRUCT the EWDD to monitor the implementation of the modified and proposed new policies and report in any impact incurred by the operators or the EWDD.
4. AUTHORIZE an extension of the WDB-Local Elected Officials (WDB-LEO) Agreement four-year agreement by six months to December 31, 2021.
5. INSTRUCT the CLA, in consultation with the City Attorney, to continue to review and negotiate the WDB-LEO Agreement on behalf of City Council and to report with recommendations for its implementation.
6. APPROVE the biennial modifications to the Los Angeles Basin Regional Planning Unit- Regional Plan (Regional Plan) currently under review by the California State Workforce Development Board (State Board) in substantial conformance with the draft modifications detailed on Page 14 of the June 16, 2021 CAO report, attached to the Council File; and, AUTHORIZE the EWDD to submit the final modified Regional Plan to the State Board.
7. APPROVE the biennial modifications to the City of Los Angeles Workforce Development Area Local Plan (Local Plan) currently under review by the State Board in substantial conformance with the draft modifications described on page 14 of the June 16, 2021 CAO report, attached to the Council File; and, AUTHORIZE the EWDD to submit the final modified Local Plan to the State Board.
8. AUTHORIZE the General Manager, EWDD, or designee, to:
 - a. Negotiate and execute agreements and amendments to agreements with public, private, non-profit and/or governmental entities with funds awarded

as described in the Annual Plan, subject to the WDB-LEO Agreement (Council File No. 16-0475) with said WDB-LEO Agreement:

- i. Requiring no further action from the WDB or LEO regarding agreements and amendments to agreements identified and approved in the Annual Plan.
 - ii. Any amendments to agreements resulting in a policy (in one year), to require approval of the LEO and WDB. Any amendment in an amount from \$25,000 to \$250,000 requires approval only from the WDB.
 - iii. All amendments are subject to approval of the City Attorney as to form and legality.
- b. With respect to Workforce Innovation and Opportunity Act (WIOA) Authorities:
 - i. Accept US Department of Labor (DOL) WIOA grant funds, assist the Controller in depositing and transferring WIOA funds as appropriate within established WIOA trust funds, and expend such funds upon proper demand in accordance with the directions in the Annual Plan.
 - ii. Accept funds and execute Subgrant Agreements and any unilateral agreements to Subgrant Agreements, including amendments thereto, between:
 - A. The State of California and the City of Los Angeles
 - B. The DOL and the City of Los Angeles for WIOA funds (including federal and state Discretionary awards, and other WIOA competitive grants).
 - C. The County of Los Angeles and the City of Los Angeles for WIOA funds, and between other Local Workforce Development Areas (LWDA) and the City of Los Angeles for WIOA, subject to review and approval of the City Attorney as to form and legality, and in compliance with Los Angeles Administrative Code Section 14.8 et seq. (City grant regulations).
 - iii. The receipt of such funds shall be reported to the WDB within 30 days.
- c. With respect to grant solicitation authorities:
 - i. Develop and submit proposals and applications to secure additional WIOA funds and available non-WIOA funds to any public, private,

nonprofit, or governmental entity for workforce development-related activities in accordance with City grant regulations.

- ii. All applications and their status shall be reported to the WDB within 30 days after submission.
 - iii. Develop and submit proposals or applications representing the WDB, subject to approval of the WDB, to any public, private, nonprofit, or governmental entity for workforce development-related activities.
 - iv. If the application period is less than 60 days from the notice of the Request for Proposals (RFP), then the EWDD may submit proposals concurrently to the funding source and to the WDB.
 - v. Approval of the WDB is required before acceptance of an award.
 - vi. Accept funds and execute grant award agreements, subject to the review and approval of the City Attorney as to form and legality, in the event any proposals and/or applications are selected by any public, private, nonprofit, or governmental entity for funding (in accordance with City grant regulations).
 - vii. In accordance with the WDB-LEO agreement, Mayor, Council, and WDB approval is required prior to acceptance of and/or expenditure of any awards in excess of \$250,000.
 - viii. Award amounts between \$25,000 and \$250,000 are subject to approval by the WDB only.
- d. With respect to procurement authorities:
- i. Issue Small Bid Purchases, Requests for Proposals (RFPs) or Requests for Qualifications (RFQs) in accordance with City procurement and Charter Section 1022 requirements (where applicable), subject to the approval of the City Attorney as to form, legality, and procurement.
 - ii. Anticipated service procurements related to items that are listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan include, but are not limited to:
 - A. Assessment services for youth, adult and dislocated workers.
 - B. Audit, payroll and timekeeping processing, and consultant services.

- C. Customer Satisfaction Survey, Evaluation Service Providers, and Certification and Performance Improvement Services.
- D. Capacity Building and Training Academy initiatives (including Fiscal and Integrated Services Delivery training providers).
- E. Consulting Services for the WDB.
- F. Crossroads Policy Symposium.
- G. Gang Injunction Curfew Settlement (LARCA 2.0).
- H. Labor Market Analysis.
- I. Layoff Aversion Services.
- J. Los Angeles Regional Initiative for Social Enterprise (LA:RISE).
- K. Program Evaluations.
- L. Promotion and Outreach Services, including marketing plan activities, communications, and publication services.
- M. Rapid Response enhancement and expansion, including layoff aversion and business retention.
- N. Services provided through the WDB Innovation Fund.
- O. Services related to the implementation of the Los Angeles YouthSource Program including the Los Angeles Youth Opportunity Movement Program.
- P. Services related to new funding secured to address the COVID-19 pandemic.
- Q. Summer Youth Employment Program.
- R. WorkSource System Enhancements.
- S. YouthSource Center Program.
- T. LA:RISE Employment Social Enterprises.
- U. WorkSource Integrated Service Delivery System providers.
- V. Youth and Young Adult System Support Service providers.

- iii. Authorize the EWDD to issue a Request for Proposals for the YouthSource Center system.
- e. With respect to contracting authorities:
 - i. Negotiate and execute agreements and amendments to agreements with public, private, nonprofit, and/or governmental entities with funds awarded as a result of a Small Bid Purchase, RFP, or RFQ, related to activities listed in Recommendation 2j, subject to City Attorney review and approval as to form, legality, and procurement, and in compliance with the WDB-LEO Agreement, City grant regulations, and City contracting requirements.
 - ii. Negotiate and execute agreements and amendments to agreements, where appropriate, with entities on a sole source basis, subject to City Attorney review and approval as to form, legality and procurement, and in compliance with the WDB-LEO Agreement, City grant regulations, and City contracting requirements.
 - iii. Anticipated service providers, as listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan include, but are not limited to, the following:
 - A. FutureWork Systems LLC for the LA Performs online performance management system.
 - B. Unite LA for Cash for College and HIRE City of Los Angeles.
 - C. Los Angeles Unified School District.
 - D. Managed Career Solutions to process participant payroll and timekeeping for City-Managed YouthSource Centers.
 - E. Service providers for Hire LA's Youth and Cash for College programs.
 - F. South Bay WDB for management of Eligible Training Provider List (ETPL) services.
 - iv. Negotiate and execute agreements, and amendments to agreements with service providers and other organizations, in accordance with the City Procurement Policy and Charter Section 1022 (where applicable), subject to City Attorney review and approval as to form and legality and provided that the EWDD submits evidence to the City Attorney of the continued viability of these procurements, and in compliance with the City's contracting

requirements. Anticipated service providers and/or activities, as listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan, include, but are not limited to:

- A. Davis Farr, Macey Prince-Swinson, and for audit, fiscal review, financial and grant regulations technical assistance and payroll processing and timekeeping services.
- B. Employment services at the Los Angeles Public Library (Pacific Asian Consortium in Employment).
- C. California State University Northridge (The University Corporation /University Foundation) for performance evaluation, professional development and program evaluation.
- D. FutureWork Systems LLC, for access and support to the LA Performs website.
- E. Gang Injunction Curfew Settlement contractors.
- F. Hire LA's Youth providers, including UNITE-LA.
- G. ICF Incorporated, LLC, Doing Business in California as ICF Consulting, LLC, for performance evaluation and program evaluation.
- H. InnerSight LLC for the provision of assessments.
- I. Labor market information/analysis providers.
- J. Launchpad for IT services relative to layoff aversion and employer engagement.
- K. Leadership training, mentoring, and systems support to youth and young adults providers.
- L. Unite City of Los Angeles
- M. Los Angeles Community College District
- N. Los Angeles County Economic Development Corporation (LAEDC) for services to businesses relative to layoff aversion.
- O. Los Angeles Unified School District
- P. Los Angeles Youth Opportunity Movement contractors.

Q. Manuel R. Bagaoisan for technical support in the continued implementation of the CalJOBSSM data collection and reporting system.

R. Performance Partnership Pilot (P3) contractors.

S. Regional Plan Development and Training Coordination.

T. Rapid Response enhancement and expansion, including lay-off aversion and business retention providers□ Services provided through the WDB Innovation Fund.

U. Services provided through the City General Fund for the LARCA 2.0 Gang Injunction Curfew Settlement.

V. South Bay Workforce Development Board for ETPL services.

W. LA:RISE program service providers.

X. Summer Youth Employment Program (SYEP) providers, including those funded through city, county, state, federal, and private funds.

Y. WorkSource Center One-Stop operators.

Z. YouthSource System contractors and related subcontractors (e.g., Los Angeles Community College District; Coalition for Responsible Community Development, and El Centro de Ayuda).

AA. Youth assessment service providers.

BB. Youth and Young Adult System Support Services providers.

CC. YouthSource Center One-Stop operators.

- v. Make payments of stipends, wages, and supportive services to City-operated YouthSource Center participants from WIOA Youth Formula, City of Los Angeles General Funds, County of Los Angeles General Funds, County of Los Angeles Temporary Assistance to Needy Families (TANF) funds, and other grant and private funds.

f. With respect to non-WIOA authorities:

- i. Authorize the accrual and payment of program and administrative expenses, which are directly related to the operation and oversight of the Summer Youth Employment Program (SYEP) funded by City

of Los Angeles General Funds, the County of Los Angeles General Funds, and County of Los Angeles TANF monies.

- ii. Negotiate and execute Memoranda of Understanding (MOUs) and amendments to MOUs with the City-operated YouthSource Centers to provide services to youth.
- iii. Accept a donation in the amount of \$121,000 from Bank of America for the SYEP.
- iv. authorize the negotiation and execution of contracts with the service providers listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan, subject to the approval of the City Attorney as to form, legality, and procurement, and compliance with City contracting requirements and applicable provisions of the WDBLEO Agreement.
- v. Accept up to \$11 million in funding from, and execute grant agreements and/or unilateral amendments with, the County of Los Angeles for the operation of the Summer Youth Employment Program.
- vi. Prepare necessary Controller instructions regarding the deposit, transfer, and expenditure of such funds; authorize the negotiation and execution of contracts for such services in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan, subject to the approval of the City Attorney as to form and legality, and in compliance with the WDB-LEO, City grant regulations, and City contracting requirements.
- vii. Accept up to \$1 million in funding from, and execute grant agreements and/or unilateral amendments with the County of Los Angeles for the operation of the Juvenile Justice Crime Prevention Act (JJCPA) Program.
- viii. Prepare necessary Controller instructions regarding the deposit, transfer, and expenditure of such funds; authorize the negotiation and execution of contracts with the service providers listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan, subject to the approval of the City Attorney as to form, legality, and procurement, and compliance with City contracting requirements and applicable provisions of the WDB-LEO Agreement.
- ix. Accept funds from, and execute grant agreements and/or unilateral amendments with, Local Workforce Development Areas and private funding sources (including for the operation of the SYEP), and authorize the negotiation and execution of contracts with the service

providers listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan, subject to the approval of the City Attorney as to form, legality, and procurement, and compliance with City contracting requirements and applicable provisions of the WDB-LEO Agreement.

- x. Accept up to \$440,000 from the County of Los Angeles Probation Department for the Juvenile Day Reporting Center (JDRC), and execute grant agreements and/or unilateral amendments with Los Angeles County, and authorize the negotiation and execution of contracts with the service providers listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan, subject to the approval of the City Attorney as to form, legality, and procurement, and compliance with City contracting requirements and applicable provisions of the WDB-LEO Agreement.
- xi. Accept up to \$1 million from the County of Los Angeles Probation Department/Workforce Development, Aging and Community Services for the INVEST program, and execute grant agreements and/or unilateral amendments with the County of Los Angeles, and authorize the negotiation and execution of contracts with the service providers listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan, subject to the approval of the City Attorney as to form, legality, and procurement, and compliance with City contracting requirements and applicable provisions of the WDBLEO Agreement.
- xii. Accept up to \$1.7 million from the County of Los Angeles Probation Department/Workforce Development, Aging and Community Services for the Systems Involved Youth program, and execute grant agreements and/or unilateral amendments with the County of Los Angeles, and authorize the negotiation and execution of contracts with the service providers listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan, subject to the approval of the City Attorney as to form, legality, and procurement, and compliance with City contracting requirements and applicable provisions of the WDB-LEO Agreement.
- xiii. Accept up to \$3 million in Measure H funds from the County of Los Angeles Workforce Development, Aging and Community Services for expansion of the LA:RISE program, and execute grant agreements and/or unilateral amendments with the County of Los Angeles, and authorize the negotiation and execution of contracts with the service providers listed in the Budget Schedules and Service Strategies and Activities sections of the Annual Plan, subject to the approval of the City Attorney as to form, legality,

and procurement, and compliance with City contracting requirements and applicable provisions of the WDB-LEO Agreement.

- xiv. Accept reimbursements from the Social Security Administration (SSA) for serving as an Employment Network (EN) under the SSA's Ticket to Work Program (TTW) (as previously approved under Council File No. 12-0818), and authorize EWDD to appropriate and expend within the Disability Employment Initiative Fund No. 54N upon presentation of supporting documentation.

g. With respect to administrative authorities:

- i. Negotiate and execute Workforce Development System (WDS) (One-Stop) MOU between partners of the City of Los Angeles WDS, subject to City Attorney review and approval as to form and legality and compliance with the WDBLEO Agreement; and negotiate and execute amendments to MOUs between partners of the City of Los Angeles WDS, subject to City Attorney review and approval as to form and legality and compliance with the WDB-LEO Agreement.
- ii. Negotiate and execute agreements and amendments to agreements with the SYEP service providers for a term effective July 1, 2021 through June 30, 2022, subject to City Attorney review and approval as to form, legality, and procurement, conformance with the WDB-LEO Agreement and compliance with City contracting requirements with said SYEP service providers and allocations are included in the PY 22 Annual Plan Budget Schedules (Tab 4).
- iii. Negotiate and execute agreements and amendments to agreements with Los Angeles: Regional Initiative for Social Enterprise (LA RISE) service providers funded by City General Fund for a term effective July 1, 2021 through June 30, 2022, subject to the approval of the City Attorney as to form, legality, and procurement, and in compliance with the WDB-LEO Agreement, City grant regulations, and City contracting requirements with said LA RISE service providers and allocations are included in the PY 22 Annual Plan Budget Schedules (Tab 4).
- iv. Negotiate and execute amendments to agreements with service providers for the implementation of the Gang Injunction Curfew Settlement Agreement (LARCA 2.0) for a term from July 1, 2021 through June 30, 2022, subject to the approval of the City Attorney as to form, legality, and procurement, and in compliance with the WDB-LEO Agreement, City grant regulations, and City contracting requirements with said Gang Injunction Curfew Settlement

Agreement service providers and allocations are included in the PY 22 Annual Plan Budget Schedules (Tab 4).

- v. If appropriate, transfer monies up to the maximum amount of the total PY 2020-21 and 2021-22 allotments allowed by WIOA statute or by other governmental administrative instructions between the Dislocated Worker and Adult programs with said transfers to be reported to the WDB on a regular basis.
 - vi. Transfer expenditures from the WIOA Fund No. 57W to the WIA Fund No. 44A if unexpended savings materialize within the WIA Fund No. 44A as a result of disallowed costs from audits, fiscal and program reviews, special investigations, post-closeout interests earned and unliquidated accruals within the WIA Fund No. 44A accounts.
 - vii. Make technical corrections as necessary to transactions included in the June 16, CAO report, attached to the Council File, to implement Mayor and Council intentions, subject to the approval of the CAO.
9. AUTHORIZE the General Manager, EWDD, or designee, to prepare a report to the WDB, Mayor, and Council by November 30, 2021 that identifies all carry-over funds, including those identified in the June 16, 2021 CAO report, attached to the Council File, and any changes to the Federal funding allocations, including those identified in the June 16, 2021 CAO report and prepare recommendations subject to WDB, Council, and Mayor approval regarding proposed use of such funds.
10. FIND that it is beneficial to the City, and, therefore more feasible, for the EWDD to execute contracts with the service providers listed in the Annual Plan, effective July 1, 2021, to June 30, 2022, subject to the City Attorney review and approval as to form and legality, and in compliance with City contracting requirements.
11. AUTHORIZE and REQUEST the Controller to take the specific actions detailed in the Attachment to the June 16, 2021 CAO report, attached to the Council File, to implement the Year 22 WDB Annual Plan budget.

Fiscal Impact Statement: The CAO reports that there is an indirect impact to the General Fund in the amount of \$1,082,562 in Fiscal Year (FY) 2021-22. Approval of the recommendations in the June 16, 2021 CAO report, attached to the Council File, would reduce reimbursements for the EWDD salary related costs to the General Fund from the Workforce Innovation and Opportunity Act Fund in this amount. This reduction is due to WIOA administrative expenses exceeding the federal grant cap of ten percent. Should EWDD realize a General Fund surplus at the end of 2021-22, those funds may be used to mitigate the impact of the reduced reimbursements to the General Fund.

Financial Policies Statement: The reports that the June 9, 2021 EWDD report, attached to the Council File, complies with City financial policies that allow reimbursement up to grant limitations. This report provides for reimbursement of Related Costs to the General Fund, save for the administrative component of the Related Costs under the WIOA fund that is in excess of the WIOA administrative cap limitation of 10 percent, currently estimated to be approximately \$1.5 million. The WIOA funds will reimburse the general funds for its Related Costs as allowed by federal grant. Subject to WIOA grant limitations, the recommendations contained herein comply with City Financial Policies in that Federal, State, and local grant sources and the PY 2021-22 Adopted Budget support budgeted costs in the Annual Plan.

Community Impact Statement: None submitted.

Summary:

On June 22, 2021, your Committee considered June 9, 2021 EWDD, June 16, 2021 CAO and June 17, 2021 CLA reports relative the WDB Year 22 Annual Plan for PY 2021-22. According to the CAO, the WIOA went into effect on July 1, 2015, and replaced the Workforce Investment Act of 1998 (WIA) as the statutory authority for EWDD workforce development activities. The WIOA, as the WIA before it, requires the establishment of a WDB to oversee the administration of WIOA funds. The WIOA also requires an agreement between the WDB and local elected officials (LEO) that defines the roles, responsibilities, and working relationship of the WDB, the WDB Administrator (EWDD), Council, and Mayor in administering WIOA programs for the City. The most recent WDB-LEO agreement was approved by Council on June 24, 2016 (Council File No. 16-0475) and was valid from July 1, 2016 through June 30, 2020. The City has obtained a term extension which expires after June 2021 and the City intends to request an additional extension.

EWDD Position Authorities and Costs and Related Costs Revenue includes funding for approximately 109 full time equivalent (FTE) staff (regular and resolution authorities) to implement Annual Plan programs at EWDD. Approximately 31 of the 109 positions are vacant at this time. The 2020-21 Annual Plan included 99 funded FTE. The 2021-22 Adopted City Budget includes 100 FTE for workforce development support in the EWDD. While the number of positions at EWDD has not increased, the EWDD indicates that it has increased the FTE of workforce program support among EWDD administrative support positions in the 2021-22 Annual Plan due to additional grants requiring administrative oversight. These additional grants include one-time funding such as the CARES Act. The position authorities are continued in the 2021-22 Adopted Budget (Council File No. 21-0600). Authority for continuing resolution authorities will be provided in the forthcoming 2021-22 Personnel Resolution Authority Report that will be submitted to Council and Mayor. Approximately \$18.9 million is set aside for salaries, expenses, and indirect salary (related) costs for workforce development grant program and administrative functions at EWDD. This consists of \$14.6 million for direct salary costs and operating expenses, and approximately \$4.3 million for all grant indirect salary costs. Also, approximately \$1,545,444 is provided for direct and indirect costs for administrative

and program support at the City Attorney, Controller, General Services Department, Personnel Department, and Mayor's Office.

As in the PY 2020-21, the EWDD projects its total 2021-22 WIOA grant administrative costs to be in excess of the federal limit of ten percent of the grant. City grant administrative expenses include related costs reimbursements to the City for City employee benefits and services from other City Departments for indirect support of the grant program. These costs are prepaid upfront by the General Fund and are to be reimbursed by grants and other special funding sources. In the past, EWDD has attributed successive annual reductions to their WIOA related costs reimbursements to reductions in the grant allocation coupled with annual increases in City labor costs. For 2021-22, EWDD's Annual Plan includes an increase of \$1,030,291 in the WIOA formula grant allocation in comparison to the current year Annual Plan. Related costs reimbursements are budgeted and anticipated as revenue to the General Fund in the City Budget to fund City operations. The EWDD's Adopted 2021-22 Revenue Budget for WIOA related costs reimbursements is approximately \$3.9 million (Council File No. 21-0600). The EWDD states that in order to remain compliant with the grant administrative cap, the EWDD will reduce their reimbursements to the General Fund for their 2020-21 WIOA related costs by approximately \$1.09 million, resulting in a revised anticipated payment of \$2.84 million. During FY 2021-22, the CAO will work with EWDD to monitor WIOA revenue to the General Fund and WIOA salary appropriations for potential adjustments needed to ensure General Fund related costs reimbursement. The Controller instructions included in the Attachment to this Report make adjustments between funding sources and accounts approved in the 2021-22 Adopted Budget and the anticipated grants receipts and projected expenditures in the Annual Plan. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the CAO and CLA reports and detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Economic Development and Jobs Committee

COUNCILMEMBER	VOTE
PRICE:	YES
KREKORIAN:	YES
BLUMENFIELD:	YES
RAMAN:	YES
HARRIS-DAWSON:	YES

ARL

6/22/21

-NOT OFFICIAL UNTIL COUNCIL ACTS-