

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: February 4, 2022

CAO File No. 0220-05929-0000

Council File No. 16-0703

Council District: Citywide

To: The Mayor
The Council

From: *Yolanda Chavez*
for Matt W. Szabo, City Administrative Officer

Reference: Community Investment for Families transmittal dated January 10, 2022; Received by the City Administrative Officer on January 18, 2022

Subject: **REQUESTS RELATED TO THE OPPORTUNITY LA COLLEGE SAVINGS ACCOUNT PROGRAM**

RECOMMENDATION

That the Council, subject to the approval of the Mayor:

1. Authorize the transfer of the Opportunity LA College Savings Account (CSA) Program from the Los Angeles Housing Department (LAHD) to the Community Investment for Families Department (CIFD);
2. Authorize the General Manager of CIFD or designee, to:
 - a. Accept funds from the County of Los Angeles for its share of the program cost in accordance with the Memorandum of Agreement (MOA) with the County of Los Angeles (County) and the Los Angeles Unified School District (LAUSD);
 - b. Prepare and submit Controller instructions and any technical corrections as necessary for the transactions included in this report to implement the Mayor and Council intentions, subject to the approval of the City Administrative Officer;
3. Authorize by resolution, subject to allocation by the Board of Civil Service Commissioners, one Project Coordinator, Class Code 1537-0, through June 30, 2022 to be employed in the Community Investment for Families Department for the implementation of the College Savings Account Program; and,
4. Authorize the City Controller to:
 - a. Establish a new fund entitled "CIFD Miscellaneous Grants and Awards" for the receipt and disbursement of small grants and awards from various sources;

- b. Establish accounts within the new CIFD Miscellaneous Grants and Awards Fund and transfer appropriations as follows:

From:

| Fund/Dept | Account | Account Name | Amount |
|------------------|----------------|----------------------------------|-----------------------|
| 49N/43 | 43S872 | Children's Savings Account | \$189,726.81 |
| 49N/43 | 43T872 | Children's Savings Account | \$1,490,174.00 |
| 49N/43 | 43TA63 | Children's Savings Account GF | \$1,147,137.87 |
| 49N/43 | 43T143 | Housing and Community Investment | \$84,847.23 |
| Total | | | \$2,911,885.91 |

To:

| Fund/Dept | Account | Account Name | Amount |
|------------------|----------------|-----------------------------------|-----------------------|
| NEW/21 | 21V200 | Children's Savings Account Grant | \$1,509,489.65 |
| NEW/21 | 21V201 | Children's Savings Account GF | \$1,147,137.87 |
| NEW/21 | 21V121 | Community Investment for Families | \$145,843.28 |
| NEW/21 | 21V299 | Reimbursement of GF Costs | \$93,318.73 |
| NEW/21 | 21V143 | Los Angeles Housing Department | \$16,096.38 |
| Total | | | \$2,911,885.91 |

- c. Increase appropriations within the CIFD General Fund No. 100/21 as follows:

| Fund/Dept | Account | Account Name | Amount |
|------------------|----------------|--|---------------------|
| 100/21 | 001010 | Salaries, General (NEW/21, 21V121) | \$134,136.45 |
| 100/21 | 006010 | Office and Administrative (NEW/21, 21V121) | \$11,706.83 |
| Total | | | \$145,843.28 |

- d. Decrease appropriation within the LAHD General Fund No. 100/43 as follows:

| Fund/Dept | Account | Account Name | Amount |
|------------------|----------------|-------------------------------------|---------------|
| 100/43 | 002120 | Printing & Binding (49N/43, 43T143) | \$68,750.85 |

- e. Increase appropriation within the LAHD General Fund No. 100/43, as follows:

| Fund/Dept | Account | Account Name | Amount |
|------------------|----------------|--------------------------|---------------|
| 100/43 | 006030 | Leasing (49N/43, 43V143) | \$16,096.38 |

- f. Deposit grants and awards received from the County of Los Angeles that are intended to meet the County's program obligation into the new CIFD Miscellaneous Grants and Award Fund and appropriate the funds upon receipt to Account 21V211 – Children's Savings Account LA County.

SUMMARY

The Community Investment for Families Department (CIFD) requests approval of various actions related to the Opportunity LA College Savings Account (CSA) Program. The CSA Program was established in 2019-20 under the former Housing and Community Investment Department (HCID). Subsequently, the Mayor and Council approved the transfer of this program to CIFD upon creation of the new department (C.F. 21-0600). This program will provide a college savings account to approximately 35,000 Los Angeles Unified School District (LAUSD) first grade students with an initial seed deposit of \$50. The City has contracted with Citibank to be the financial and technical partner for the CSA Program through the Request for Proposal process. The CIFD's requests include authority to 1) transfer administration of the CSA Program from Los Angeles Housing Department (LAHD) to CIFD; 2) establish a new fund entitled CIFD Miscellaneous Grants and Awards Fund for the receipt and disbursement of small grants and awards from various grant sources, such as the California Student Aid Commission (CSAC); and, 3) establish new accounts within this new fund and transfer funds from LAHD to CIFD.

The CIFD also requests to upgrade an existing resolution authority from a Project Assistant to a Project Coordinator position to support program implementation. The grant secured from the California Student Aid Commission includes \$329,524 for staff support. The program is currently staffed by a Senior Project Coordinator, a Project Coordinator, and a vacant Project Assistant. Additionally, the CIFD received approval for a new Administrative Clerk to be filled through the Targeted Local Hire Program (C.F. 21-1362) to provide clerical support for the CSA program. This position was allocated on January 13, 2022, and CIFD is in the hiring process to fill this position. The Senior Project Coordinator is also managing the City's new Guaranteed Basic Income Program, while CIFD hires staff for the newly approved positions. In the City's initial five-year rollout plan, it was anticipated that six full-time staff were required to implement the program at full scale. The program has since been accelerated to a two-year roll-out for which 35,000 first graders will be enrolled this fiscal year. The CIFD determined that a Project Coordinator is the more appropriate classification for the type of work required for this program. The new Project Coordinator will assist the existing Project Coordinator with the following duties: engage 500 LAUSD schools, enroll 35,000 students into Opportunity LA, secure partnerships, develop incentives, and lead outreach to continually engage families and encourage them to build their children's savings for post-secondary education.

The CIFD requests authority to accept grants and awards from the County of Los Angeles (County) for its cost allocation of the program, deposit these funds into the new CIFD Miscellaneous Small Grants and Awards Fund, and appropriate said funds upon receipt to the Children's Savings Account LA County Account. In June 2021, a Memorandum of Agreement (MOA) was executed between the City, County, and LAUSD to outline the roles of each jurisdiction, as well as the cost allocation between the City and County based on the proportion of participating students from each jurisdiction. The City serves as the account custodian and program administrator and is responsible for overseeing all operations of the CSA program. The CIFD also requests authority to prepare Controller instructions and technical corrections to implement the above transactions. This Office concurs with the Department's request with a modification to the requested position upgrade. An upgrade from Project Assistant to Project Coordinator is not appropriate, as it involves two different

classifications. This Office recommends holding the current Project Assistant vacant and authorizing a new resolution authority for one Project Coordinator. The incremental cost increase is \$5,173.02 based on three months' salary funding, which can be absorbed within the grant allocation.

FISCAL IMPACT STATEMENT

Approval of the recommendations in this report will have no additional impact to the General Fund. The Opportunity LA College Savings Program is funded through various sources including grants from the California Student Aid Commission and the 2020-21 allocation from the reinvestment of funds from the Los Angeles Police Department (LAPD). The CIFD reports that up to \$504,557.52 of the LAPD reinvestment funds will be rolled over to 2022-23, and funding from the County of Los Angeles will provide additional support for the Program.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City's Financial Policies.

MWS:JL:JLJ:02220095c