

# CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI  
MAYOR



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



Workforce **Development** Board  
City of *Los Angeles*

Workforce Development Board  
CHARLES WOO  
CHAIR

October 25, 2022

Council File Number:  
Council Districts: All  
Contact Persons & Phone:  
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The Honorable Eric Garcetti  
Mayor, City of Los Angeles  
Room 303, City Hall

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

Attention: Heleen Ramirez, Legislative Coordinator

## **APPROVAL OF RECOMMENDATIONS FROM THE ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT (EWDD) TO AMEND THE YEAR 23/PROGRAM YEAR (PY) 2022-23 (JULY 1, 2022 – JUNE 30, 2023) WORKFORCE DEVELOPMENT BOARD (WDB) ANNUAL PLAN AND ACCEPT ADDITIONAL WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) FORMULA FUNDS FROM THE STATE**

### **DEADLINE FOR ACTION**

The General Manager of the Economic and Workforce Development Department (EWDD) and the Chair of the Workforce Development Board (WDB) respectfully submit this transmittal for your review and approval to amend the WDB Year 23 – Program Year (PY) 2022-23 Annual Plan (Annual Plan) and accept an additional \$6.2 million in U.S. Department of Labor (DOL) Workforce Innovation and Opportunity Act (WIOA) grant funds and ensure the uninterrupted provision of services to City residents. Council approval of this item is requested no later than November 30, 2022.

### **RECOMMENDED REQUESTED ACTIONS**

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

1. AMEND the PY 2022-23 Annual Plan and its supporting budget schedule (attached herein) to incorporate recommendations included herein;
2. ACCEPT an additional \$6.2 million in U.S. Department of Labor (DOL) Workforce Innovation and Opportunity Act (WIOA) grant funds, authorize the Controller, with

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 assistance of EWDD, to deposit and transfer 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;

3. AUTHORIZE EWDD to execute Subgrant Agreements and any unilateral agreements to Subgrant Agreements, including amendments thereto, between the State of California and the City of Los Angeles, between the DOL and the City of Los Angeles (City) for WIOA funds (including federal and state Discretionary awards, and other WIOA competitive grants), between 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 for WIOA. The receipt of such funds shall be reported to the WDB within 30 days;
4. APPROVE a Reserve Fund Loan, in an amount not to exceed \$4.0 million to support the implementation of the Californians for All grant; and
5. AUTHORIZE EWDD to execute contracts and contract amendments as described herein and referenced in the Service Providers and Supporting Program Activities budget schedule attachments; and
6. AUTHORIZE the Controller to:
  - a. Increase receivables within the Workforce Innovation and Opportunity Act (WIOA) Fund No. 57W by \$5,750,862.
  - b. Increase appropriations within the WIOA Fund No. 57W as follows:

Account No.	Account Name	Amount
22W581	WIOA Adult	1,125,000
22W582	WIOA Dislocated Worker	750,000
22W583	WIOA Youth	1,200,000
22W591	WIOA Adult Supporting Program Activities	1,225,000
22W592	WIOA Dislocated Worker Supporting Program Activities	297,000
22W593	WIOA Youth Supporting Program Activities	525,000
22W122	Economic and Workforce Development	334,873
22W299	Reimbursement of General Fund Costs	293,989
	<b>Total</b>	<b>5,750,862</b>

- c. Increase (Decrease) appropriations within Fund 100/22 as follows:

Account No.	Account Name	Amount
001010	Salaries General	289,971
001070	Salaries As Needed	26,012
001090	Overtime General	(4,762)
002120	Printing and Binding	(162)
002130	Travel	27,313
003040	Contractual Services	36,816
003310	Transportation	1,293
006010	Office and Administrative	36,514
006020	Operating Supplies	1,378
006030	Leasing	(79,500)
	<b>Total</b>	<b>334,873</b>

7. AUTHORIZE the Controller to process a Reserve Fund loan of \$4 million to provide cash flow for the Californians for All Youth Workforce Development Grant Fund No. 65N for the period July 1, 2022 to May 1, 2024, to be repaid as funds are received from the State California Volunteers.
8. AUTHORIZE the General Manager of EWDD, or designee, to prepare Controller instructions and/or technical adjustments necessary to implement the modified Year 23 Annual Plan's budget.

## **BACKGROUND**

On June 29, 2022, City Council approved Year 23 Annual Plan, which included \$39.6 million in WIOA funds, for a total budget of \$139.8 million (C.F. No. 22-0683).<sup>1</sup> The Annual Plan includes authorities and approvals for the receipt and expenditure of grant funds for Adult, Youth, and Dislocated Worker programs and services and funding requests by the WDB for job training and pre-apprenticeship programs for vulnerable populations.

As of the preparation of the report dated June 6, 2022, the State Employment Development Department had not yet announced its funding allocations for WIOA Adult, Dislocated Worker, and Youth Formula to Local Workforce Development Areas for PY 2022-23. Therefore, the allocations were projections based on previous year allocations.

In May 2022, shortly before the WDB approved the Annual Plan, the Department was notified that the City had received an additional \$6.2 million in WIOA funds from the State. Accordingly, the Department developed a plan to expend the additional funds and referred it to the WDB for approval.

On July 27, 2022, the WDB approved the EWDD recommendations to accept an additional \$6.2 million in WIOA formula funds from the State and amend the Annual Plan.

## **FISCAL IMPACT**

The recommendations contained in this report will not impact the City General Fund. This transmittal reflects a net increase of \$5,750,862 to the Year 23 Annual Plan due to the additional \$6.2 million in funding allocated to the City from the State, for a revised total of approximately \$146 million.

This report complies with City financial policies that allow reimbursement up to grant limitations. WIOA regulations provide for reimbursement of Related Costs to the General Fund, except for the amount in excess of the WIOA administrative cap limitation of 10 percent which is currently estimated at approximately \$300,000. This amount represents a significant decrease of over \$1 million from PY 2021-22 in non-reimbursable Related Costs.

## **DISCUSSION**

On May 25, 2022, the State Employment Development Department (EDD) issued the Workforce Services Information Notice (WSIN) 21-43 with final WIOA funding allocations

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<sup>1</sup> It is noted that at the time the Year 23 Annual Plan report was published, the State had not yet issued final WIOA funding allocations.

for PY 2022-23 which resulted in a \$6.2 million increase for the City. As displayed on Table 1, due to the increase, total revised WIOA funds amount to \$40,877,792, which includes \$14.8 million for Adult, \$10.7 million for Dislocated Worker, and \$15.3 million for Youth.

**Table 1 - PY 2022-23 Annual Plan WIOA Funding Allocations**

<b>Program</b>	<b>Adopted WIOA Funds</b>	<b>Revised WIOA Funds</b>	<b>Increase</b>
<b>Adult</b>	12,824,671	14,853,297	2,028,626
<b>Dislocated Worker</b>	8,850,751	10,732,563	1,881,812
<b>Youth</b>	12,951,508	15,291,932	2,340,424
<b>Total</b>	<b>34,626,930</b>	<b>40,877,792</b>	<b>6,250,862</b>

It is noted that the original Youth revenue of \$12,951,508 included a \$3.0 million advance from PY 2023-24. In light of the \$6.2 million increase, the Department recommends reducing the newly revised WIOA allocation of \$15,291,932 for Youth by \$500,000.

Table 2 shows a reduced new WIOA allocation for Youth of \$14,791,932 for a new total WIOA allocation of \$40,377,392 (reflects the \$500,000 reduction). This results in a new net WIOA increase of \$5,750,862.

**Table 2 - Revised WIOA Funds (Reflecting \$5.75 Million)**

<b>Program</b>	<b>Adopted WIOA Funds</b>	<b>Revised WIOA Funds</b>	<b>Increase</b>
<b>Adult</b>	12,824,671	14,853,297	2,028,626
<b>Dislocated Worker</b>	8,850,751	10,732,563	1,881,812
<b>Youth</b>	12,951,508	14,791,932	1,840,424
<b>Total</b>	<b>34,626,930</b>	<b>40,377,792</b>	<b>5,750,862</b>

EWDD proposes to allocate the additional WIOA funds as follows:

**Table 3 - Proposed WIOA Funding Allocations (\$5.75 Million)**

<b>Program Activity</b>	<b>Annual Plan</b>	<b>Revised Budget</b>	<b>Proposed Allocation (Increase)</b>
EWDD Oversight	8,186,496	8,815,358	628,862
EWDD Support for WDB	945,203	945,203	-
Mayor's Office	513,669	513,669	-
Other City Departments	345,621	345,621	-
WorkSource Centers	14,693,341	16,568,341	1,875,000
YouthSource Centers	8,312,789	9,512,789	1,200,000
Other Service Providers	1,634,680	1,634,680	-
Supporting Program Activities	3,895,474	5,942,474	2,047,000
<b>TOTAL</b>	<b>38,527,273</b>	<b>44,361,135</b>	<b>5,750,862</b>

EWDD Oversight

The EWDD recommendations will increase EWDD Program and Oversight funding by \$628,862. This funding will allow the Department to increase staffing to the support both the program oversight and administration of WIOA programs.

WorkSource Centers (WSC) / YouthSource Center (YSC) Funding Increase

The EWDD recommendations also prioritize increased funding for existing WSCs (\$1,875,000) and YSCs (\$1,200,000) service providers. The increased funding for both systems will support increased operational and staffing costs and it is anticipated that a minimum of 40 percent of funds will be allocated to training and participant related costs.

**Table 4 - WorkSource Centers (WSCs)**

<b>No.</b>	<b>Service Provider</b>	<b>Region</b>	<b>AP Funding</b>	<b>Revised Funding</b>	<b>Increase</b>
1	Rescare/ Equus Workforce Solutions	Canoga Park/ South Valley	979,556	1,104,556	125,000
2	Asian American Drug Abuse Program	West Adams / South LA	979,556	1,104,556	125,000
3	Pacific Gateway WIN	Harbor Area	979,556	1,104,556	125,000
4	Coalition for Responsible Community Development	Vernon Central / LATTC – South LA	979,556	1,104,556	125,000
5	Community Career Development	Wilshire / Metro – Central LA	979,556	1,104,556	125,000
6	El Proyecto del Barrio	Sun Valley / SFV	979,556	1,104,556	125,000
7	Goodwill Industries	Northeast Los Angeles	979,556	1,104,556	125,000
8	Goodwill Industries	Pacoima / North Valley	979,556	1,104,556	125,000
9	Housing Authority of the City of Los Angeles	Watts / South LA	979,556	1,104,556	125,000
10	JVS of Southern California	West LA	979,556	1,104,556	125,000
11	Managed Career Solutions	Boyle Heights	979,556	1,104,556	125,000
12	Managed Career Solutions	Hollywood / Central LA	979,556	1,104,556	125,000
13	Pacific Asian Consortium in Employment	Downtown LA / Pico Union	979,556	1,104,556	125,000
14	UAW – Labor Employment & Training	Crenshaw / South LA	979,556	1,104,556	125,000

15	Watts Labor Community Action Committee	Watts / South Los Angeles	979,556	1,104,556	125,000
	<b>Total</b>		<b>14,693,340</b>	<b>16,568,340</b>	<b>1,875,000</b>

**Table 5 - YouthSource Centers (YSCs)**

No.	Service Provider	Region	Adopted WIOA Funds	Revised Funding	Increase
1	Catholic Charities of Los Angeles, Inc.	Central LA	150,000	150,000	-
2	Catholic Charities of Los Angeles, Inc.	South LA	150,000	679,485	529,485
3	Coalition for Responsible Community Development	South LA	150,000	679,485	529,485
4	El Proyecto del Barrio, Inc.	Sun Valley/North Valley	150,000	679,485	529,485
5	El Proyecto del Barrio, Inc.	Pacoima/South Valley	150,000	679,485	529,485
6	Goodwill Industries of Southern California	South Valley	150,000	502,990	352,990
7	Los Angeles Brotherhood Crusade	South Crenshaw	150,000	679,485	529,485
8	Managed Career Solutions, Inc.	Harbor	-	529,485	529,485
9	Pacific Gateway/ City of Long Beach	Harbor	150,000	150,000	-
10	Para Los Niños	Central LA	150,000	679,485	529,485
11	Para Los Niños	East LA	150,000	679,485	529,485
12	Regents of the University of California (UCLA)	West LA	150,000	679,485	529,485
13	Regents of the University of California (UCLA)	Central LA	-	529,485	529,485
14	Watts Labor Community Action Committee	South LA	150,000	679,485	529,485
15	Youth Opportunity Movement - Boyle Heights	East LA	150,000	679,485	529,485

16	Youth Opportunity Movement - Watts	South LA	150,000	502,990	352,990
	Unallocated		6,212,789	352,989	(5,859,800)
	<b>Total</b>		<b>8,312,789</b>	<b>9,512,789</b>	<b>1,200,000</b>

### Supporting Program Activities

EWDD's recommendations include an increase of approximately \$2.0 million in Supporting Program Activities. These Supporting Program Activities will augment services to both WSC and YSC systems.

**Table 6 - Supporting Program Activities**

<b>Supporting Program Activities</b>	<b>Annual Plan</b>	<b>Revised Budget</b>	<b>Increase</b>
Audit Fees/Fiscal Training/Invoice Processing	142,000	364,000	222,000
Canoga Park WSC Relocation	200,000	300,000	100,000
High Road Training Partnerships	-	1,000,000	1,000,000
Peer to Peer Counseling Initiative	-	100,000	100,000
Workforce Development System (WDS) Accessibility Technology / Strategy	-	350,000	350,000
HireLAX Pre-Apprenticeship Program	-	275,000	275,000
<b>Total</b>	<b>342,000</b>	<b>2,389,000</b>	<b>2,047,000</b>

### Audit Fees / Fiscal Training / Invoice Processing

EWDD proposes increased funding in the amount of \$222,000 to support the Department's invoice processing functions. Over the past two program years, the total workforce funding administered by the Department has increased by more than 100 percent. Additional funding is needed to hire temporary support to assist with processing service provider invoices on a timely basis.

### Canoga Park Relocation

EWDD proposes to increase financial support in the amount of \$100,000 for the relocation of the Canoga Park WSC. This funding will support with relocation costs as well one-time furniture and equipment purchases. All purchases will be subject to CA Employment Development Department approvals, per policy.

### High Road Training Partnerships

EWDD proposes to allocate \$1.0 million to develop and/or expand high-road training partnerships. The goal is to expand training opportunities in employment sectors that lead to middle-skill employment opportunities.

Peer to Peer Counseling Initiative

The Peer to Peer Counseling initiative is a pilot program that will train up to 50 YSC program participants in mental health counseling. The goal is to develop peer counselors that can work with program participants in need of mental health services through both group counseling and advocacy. Funding in the amount of \$100,000 is recommended for this program.

Workforce Development System (WDS) Accessibility / Technology Strategy

This activity will provide \$350,000 in funding to assess existing technology at both WSC and YSCs and recommend new technology that will increase access to programs.

Hire LAX

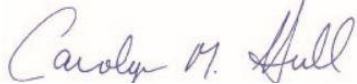
The HireLAX program is an eight-week construction apprenticeship readiness training program that provides individuals with an introduction to construction careers, career development, stipends and/or paid work experience, and comprehensive supportive services to assist individuals' union construction career job placement opportunities. The Department recommends funding in the amount of \$275,000 for this program.

Additional Recommendations

The \$53.3 Californians for All awarded to the City prohibits the use of Cash Advances for both City departments and service providers. Due to the time required to process invoices and the emphasis of participant wages, the grant implementation is placing a heavy burden on program partners. In order to support the successful implementation of this program, EWDD is requesting a \$4.0 million Reserve Fund Loan to allow EWDD to pay both City departments and service providers on a timely basis. The Reserve Fund will be reimbursed upon receipt of payments for the California Volunteers Office.

**WDB ACTION**

In accordance with the Workforce Development Board-Local Elected Officials (WDB-LEO) Agreement, the WDB Executive Committee approved the acceptance of the additional WIOA formula funds from the State and the recommendation to amend the Annual Plan on July 27, 2022.



CAROLYN M. HULL  
General Manager



CHARLES WOO, Chair  
Workforce Development Board

CMH:GR:FVC:MC:cg

cc: Mike Feuer, City Attorney

Attachments: 1. WDB Year 23 Revised Annual Plan Budget Schedules  
2. Tab 2 - Draft Plan Overview