

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 20, 2013

CAO File No. 0220-01024-2738  
Council File No. 13-0728  
Council District: All

To: The Mayor  
The Council

From: Miguel A. Santana, City Administrative Officer



Reference: Community Development Department Transmittal dated June 10, 2013; Referred to the Jobs and Business Development Committee

Subject: **WORKFORCE INVESTMENT BOARD YEAR FOURTEEN (2013-14) ANNUAL PLAN AND RELATED ACTIONS**

**SUMMARY**

In a transmittal from the Community Development Department (CDD) and the Los Angeles Workforce Investment Board (WIB), dated June 10, 2013, (C.F. 13-0728) (Transmittal), CDD and WIB request approval of the proposed City/WIB Year 14 Annual Plan (Annual Plan) effective July 1, 2013 through June 30, 2014. Approximately \$65.7 million is available to implement the strategies and activities in the Annual Plan. Funding sources include the Workforce Investment Act (WIA) formula/base grant and competitive grants, the Community Development Block Grant (CDBG), various special funds and the General Fund. The WIB, Council and Mayor are responsible for approval of the Annual Plan. The WIB considered and approved the Year 14 Annual Plan on May 30, 2013 following the required public comment period of 30 days. We recommend approval of the Annual Plan and various actions required to implement the Annual Plan as detailed in the Recommendations section of this report and in the attached Controller Instructions.

The estimated funding for Year 14 is \$65.7 million, which represents a three percent increase over the Year 13 (2012-13) Annual Plan amount of \$64 million. Of the \$65.7 million, \$42.7 million is new funding from the ongoing WIA formula/base grants, \$4 million is from prior year WIA formula/base grant savings and \$19 million is from CDBG and other sources. The WIA formula grants component (\$42.7 million) is four percent less than the Year 13 Annual Plan amount of \$44.5 million. However, additional funding from other WIA competitive grants and other funding sources offsets the reduction in formula grants. The estimated funding for Year 14 includes a five percent reduction in funding due to Sequestration.

A summary of the funding sources for the Year 14 Annual Plan is as follows:

<b>2013-14 Annual Plan Source of Funds</b>	<b>Amount</b>
WIA Formula Funds (Adult, Dislocated Worker, Youth, Rapid Response) – New funds	\$42,756,823
WIA Formula Funds - 2012-13 savings	4,000,211
Additional Assistance Project (Governor’s 25 percent Discretionary Dislocated Worker)	2,121,426
California Disability Employment Initiative and Community Challenge Planning grants	352,318
City General Fund and Special Funds (Youth Employment, Learn and Earn)	3,134,530
Community Development Block Grant	1,367,440
Institutional Transition Program - pending Council action	300,000
Los Angeles County Summer Youth Employment and High Risk High Need grants	1,398,398
“Getting LA Back to Work” and National Emergency Grant/On-The-Job Training grants	6,101,182
Workforce Innovation Fund, Department of Labor	4,151,000
<b>Total</b>	<b>\$65,683,328</b>

## Year 14 Annual Plan Highlights

In an effort to address the impacts of the national economy on the City, the current priorities of City's Workforce Development System (WDS) are: 1) Serving recently unemployed or dislocated workers; 2) Jobs for youth; and 3) Strengthening the Regional Workforce System. The Annual Plan provides the details on revenues and expenditures for WDS, including funding and approvals to implement service strategies and activities that enhance the WIB's efforts to assist low-wage, low-skill individuals through adequate training and workforce development activities. The Annual Plan also includes various employment, contracting and procurement authorities in support of WDS. Funding is provided for on-budget and off-budget program and administrative costs.

Activities that are funded in the Year 14 Annual Plan are listed under the Service Strategies and Activities section of the Annual Plan document and include but are not limited to the following:

- Operation of 18 WorkSource Centers (WSC) and one WSC Portal for employment and support services (six months funding for the period of July 1, 2013 through December 31, 2013 pending a Request for Proposals (RFP) for WSC contractors;
- Remaining six months funding for WSCs pursuant to the results of the RFP;
- Operation of 13 YouthSource Centers (formerly Youth WorkSource Centers);
- Contracting with Los Angeles Unified School District, Office of Pupil Services as collaborator with YouthSource Centers;
- Year-Round support programs, including subsidized and unsubsidized work experience for youth;
- 2013 Summer Youth Employment Program (SYEP) - Funding from non-WIA sources;
- Getting LA Back to Work (former NEG Multi-Sector program) – services to dislocated workers;
- Rapid Response strategies to assist employers and workers recovering from industry decline;
- Services to vulnerable populations (Ex-offenders, homeless persons, persons with disabilities and veterans);
- Training related supporting activities; and,
- Auditing, assessments, evaluation, continuous improvements, outreach, technology and studies.

The CDD is currently developing a RFP for competitive procurement of WSC operators beginning in January 2014. The RFP will solicit service providers that are qualified to provide workforce-related services and manage a WSC within federal, state and local regulations and guidelines.

The 2013-14 Adopted Budget (C.F. 13-0600) transfers the administration of WIA funds to the newly created Economic and Workforce Development Department (EWDD) effective July 1, 2013. Additional information on the Annual Plan is provided in the Background Section of this report and in the Transmittal. The CDD requests approval of this report by June 30, 2013 to avoid a gap in services provided by the affected contractors and programs.

## **Background**

### Workforce Investment Board/Local Elected Officials Agreement (WIB-LEO)

The WIA requires the establishment of a WIB to oversee the administration of WIA funds. The WIA also requires an agreement between the WIB and local elected officials that defines the roles, responsibilities and working relationship of WIB, the WIB Administrator (CDD/EWDD), Council and Mayor in administering WIA programs for the City. The WIB-LEO requires that the WIB and local elected officials approve a local plan for each program year that includes program goals, services strategies and budget. The current WIB-LEO was executed in 2007 (C.F. 05-0167) for the period of February 16, 2007 through February 16, 2012. Council has subsequently extended the term of the WIB-LEO. In April 2013, the Council approved Motion (Garcetti-Buscaino)(C.F. 12-0602-S3) to authorize the extension of the WIB-LEO through October 16, 2013. Staff is currently working on the development of a new WIB-LEO.

### Community Development Positions Authorities and Costs

The Year 14 Annual Plan includes partial or full funding for 129 Full Time Equivalent positions (regular and resolution authorities) required to implement Annual Plan programs. The positions are continued in the 2013-14 Adopted Budget (Budget) (C.F. 13-0600). Authority for the resolution authorities will be provided in the 2013-14 Personnel Resolution Authority report that will be submitted for approval by the Council and Mayor in July 2013. All of the positions will be subject to the City's Managed Hiring Process as approved by Council and Mayor in the 2013-14 Adopted Budget.

Approximately \$18.7 million is set aside for salaries and expenses for program and administrative functions: \$13.8 million for direct salary costs and operating expenses and \$4.9 million for indirect salary costs. In addition, approximately \$1.3 million is provided for direct and indirect costs for administrative and program support in the City Attorney, Controller, General Services, Information Technology Agency, Personnel Department and Mayor's Office. Indirect salary costs are estimated based on full cost recovery using the Cost Allocation Plan 34. Indirect salary costs are reflected in the 2013-14 Budget Revenue estimates.

The Controller Instructions included in this report makes adjustments between funding sources and accounts approved in the 2013-14 Adopted Budget and the anticipated grants receipts and projected expenditures in the Annual Plan. The Annual Plan limits WIA administrative costs to a maximum of ten percent.

### Position Changes Request

The CDD requests authority to delete two existing positions and add two new positions to support key goals and major performance requirements of WIA legislation. The CDD proposes to delete one Senior Management Analyst I (SMAI), Civil Service Code (CSC) 9171-1 and one Project Coordinator (PC), CSC 1537 and add two Senior Project Coordinators (SPC), CSC 1538. In addition, CDD is requesting civil service exemption for the positions under Charter Section 1001 (d) (4) based on the temporary nature of the grant funded programs within which these positions will operate. The estimated annual direct cost of the deleted positions and new positions is approximately \$183,000 and \$194,000, respectively. The positions are fully funded in the Annual Plan. The duties of one SPC will include planning, marketing and evaluation of projects and grant programs. The duties of the second SPC will include supervision on the Grants Management Section and financial reporting to comply with federal and state grant regulations.

We recommend the addition of resolution authority for two SPCs to support grant program and administrative activities subject to the review and approval by the Personnel Department as to Civil Service classification, allocation and exemption. We recommend the deletion of one SMAI and one PC to offset the cost of the new positions.

### Summer Youth Employment Contractors

The CDD issued a Request for Qualifications (RFQ) in March 2013 for service providers that are qualified to provide services to youth and young adults. The CDD requests authority to negotiate and execute contracts with 11 organizations that obtained a minimum score of 70 points (nine organizations to provide employment services for summer youth and two organizations to provide assessment services) pursuant to the RFQ. The CDD will establish a list for six organizations that obtained scores below 70 points to provide services on an as-needed basis (four organizations to provide summer youth employment services and two to provide assessment services). In addition, CDD requests authority to negotiate and execute contracts for similar services with organizations that were previously approved to provide services to the YouthSource Centers. The contract amounts will be determined by CDD and the WIB. The WIB approved the results of the RFQ on June 19, 2013. A recommendation to execute contracts with 22 organizations for summer youth employment and assessment services for the period of July 1, 2013 through June 30, 2014 is included in the Recommendations section of this report (Recommendation No. 2w).

### Environmental Considerations

The CDD has filed a Notice for Categorical Exemption with the City Clerk and Los Angeles County Recorder's Office pursuant to the California Environmental Quality Act and City environmental guidelines. The exemption is requested on the basis that Annual Plan programs are federally funded public services, including employment and training, that result in no impact on the physical environment and which do not involve construction or new public or private facilities.

### Summary of Recommendations

The recommendations maintain adequate City oversight over procurement requirements and compliance, while recognizing the need to provide flexibility for program administration to EWDD. In addition, the recommendations include an instruction for EWDD to review service providers and contractors during 2013-14 for which sole source or City contracts have been awarded in excess of three years without a formal procurement, so as to comply with contracting requirements for competitive bidding as mandated by the WIA, the Los Angeles Administrative Code Section 10.15 et seq., and the Los Angeles Charter, Section 371 and 372 and report back to Council and Mayor with the selections in or prior to the next Annual Plan (2014-15). In addition, the recommendations include the authority for EWDD to issue RFPs and/or RFQ for the life of each Annual Plan. Council and Mayor approval will be required to extend the life of the RFPs and/or RFQs.

The recommendations in this report comply with the City's Financial Policies in that federal, state, county grants and General Funds in the 2013-14 Adopted Budget provide funding for expenditures. The funding sources, details on service strategies and activities, policies, budget, accomplishments, service provider performance evaluations and public comments are included in the complete Annual Plan document that is attached to the Transmittal. The Transmittal is available on the City's internet website at [cityclerk.lacity.org](http://cityclerk.lacity.org), Council File Management System, (C.F. 13-0728). A copy of the Annual Plan is also available on CDD's website ([lacity.org/cdd/](http://lacity.org/cdd/)). The Attachment to this report provides Controller instructions required to implement the Year 14 Annual Plan.

### **RECOMMENDATIONS**

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

1. Adopt the Workforce Investment Board (WIB) Year Fourteen Annual Plan for 2013-14 (Annual Plan) and supporting budget. Approve and implement all policies contained in the Annual Plan as revised by the WIB, and authorize the General Manager, Economic and Workforce Development Department (EWDD), or designee, to implement the Annual Plan consistent with the recommendations contained herein;
2. 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 WIB approval only or WIB and Council approval (if appropriate) as authorized in the Workforce Investment Board/Local Elected Officials Agreement (WIB-LEO). The WIB-LEO authorizes CDD to execute agreements (not to exceed \$250,000 per agreement) identified in the Annual Plan, and to amend agreements previously approved in the Annual Plan. The execution of contracts and amendments under \$250,000 will be reported to the WIB within 30 days. Agreements that exceed \$250,000 require WIB, Council and Mayor approval. WIB, Council and Mayor approval is also required to negotiate and execute agreements with any entities awarded Workforce Investment Act (WIA) funds in excess of \$250,000 per contract per year through Request for Proposals (RFP) or Request for Qualifications (RFQ). Agreements or amendments in the amount of \$250,000 or less, which are not described in the Annual Plan, must have WIB, Council and Mayor approval;

*With respect to Workforce Investment Act authorities:*

- b. Accept U.S. Department of Labor (DOL) WIA grant funds, assist the Controller in depositing and transferring WIA funds as appropriate within established WIA trust funds, and expend such funds upon proper demand in accordance with the directions in the Annual Plan;
- c. Accept funds and execute Subgrant Agreements and any unilateral agreements to Subgrant Agreements, including amendments, between the State of California and the City and/or DOL and the City for WIA and/or successor legislation funds (including National Emergency Grants (NEG) and the Governor's 15 Percent and 25 percent Discretionary grants), subject to the review and approval of the City Attorney as to form and legality and in compliance with Los Angeles Administrative Code 14.6 et seq. (City grant regulations). The receipt of such funds shall be reported to the WIB within 30 days;

*With respect to solicitation authorities:*

- d. Develop and submit proposals and applications to secure additional WIA funds and available non-WIA funds to any public, private, nonprofit or governmental entity for workforce investment-related activities in accordance with City grant regulations. All applications and their status shall be reported to the WIB within 30 days;
- e. Develop and submit proposals and applications representing the WIB, subject to approval of the WIB, to any public, private, nonprofit or governmental entity for workforce investment-related activities. If the application period is less than 60 days from the notice of the RFP, then EWDD may submit proposals concurrently to the funding source and the WIB. Approval of the WIB is required before acceptance of an award;
- f. 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, non-profit or governmental entity for funding (and in conformance with City grant regulations). In accordance with the WIB-LEO, WIB, Council and Mayor approval is required for any awards in excess of \$250,000 prior to acceptance and expenditure of such funds. Amounts not to exceed \$250,000 are subject to approval by WIB only;
- g. Negotiate and execute agreements and amendments to agreements with funds awarded, as described in the Annual Plan, subject to approval as authorized in the WIB-LEO. The execution of contracts and amendments under \$250,000 will be reported to the WIB within 30 days;

*With respect to procurement authorities:*

- h. Issue Small Bid Purchases, RFPs or RFQs in accordance with City procurement and Charter Section 1022 requirements, subject to review and approval by the City Attorney as to form and legality. Authority is provided to issue RFPs and/or RFQs for the life of each Annual Plan. Council and Mayor approval is required to extend the life of RFPs and/or RFQs. Anticipated service procurements related to items that are listed in the Service Strategies and Activities Section of the Annual Plan include:
  - Assessment services for youth, adult and dislocated workers; Quality Improvement;
  - Auditors/consultants for special audits; Customer Satisfaction Survey; Evaluation Service Providers and Quality Improvement;
  - Business services; Capacity Build/Training academy activities;
  - Continued Learning Academy development;
  - Consulting services for veterans; Consulting services for WIB;
  - Crossroads policy symposium, including youth and veterans services;

- Integrated Service Delivery System; Labor Market Analysis;
  - Marketing plan activities, Communications and publication services;
  - Rapid Response enhancement and expansion; Lay-off aversion and Business Retention;
  - Sector-Based Initiatives and intermediary services;
  - Services for veterans, including portal or center for services to veterans; Crossroads policy symposium, including youth and veterans;
  - Services for vulnerable populations (such as persons with disabilities and ex-offenders);
  - WIB Innovation Fund; WorkSource System service providers; and,
  - Youth Opportunity Movement program monitoring, Youth Leadership Training, mentoring and system support for youth and young adults.
- i. Negotiate and execute agreements and amendments to agreements with public, private, non-profit and/or governmental entities with funds awarded and as a result of a Small Bid Purchase, RFP or RFQ, related to activities listed in Recommendation No. 2(h) in accordance with City procurement and Charter Section 1022 requirements and WIB/LEO, and subject to City Attorney review and approval as to form and legality;
- j. Negotiate and execute agreements and amendments to agreements, where appropriate, with entities on a sole source basis, provided that such actions are in accordance with City and WIA procurement policies and Charter Section 1022 requirements, subject to City Attorney review and approval as to form and legality. Anticipated service providers and contracts for 2013-14 as listed in the Strategies and Activities Section of the Annual Plan include the following:
- A non-financial agreement for the maintenance of Individual Training Accounts with the City of Hawthorne (on behalf of the South Bay WIB);
  - FutureWorks Systems for the LA Performs online performance management system;
  - Integrated service delivery system providers;
  - Los Angeles Area Chamber of Commerce Foundation for Hire LA's Youth and Cash for College programs; and,
  - Los Angeles Unified School District Office of Pupil Services and Attendance Counselors.
- k. Negotiate and execute agreements and amendments to agreements, subject to City Attorney review and approval as to form and legality, with the following service providers and organizations, in accordance with the City Procurement Policy, City Charter Section 1022 (where applicable) and in compliance with the City's contracting requirements, provided EWDD submits evidence to the City Attorney of the continued viability of these procurements. Anticipated service providers and contracts for 2013-14 as listed in the Strategies and Activities Section of the Annual Plan include the following:
- Automated data collection and reporting system providers;
  - California Disability Employment Initiative WorkSource Center (WSC) contractors;
  - California State University Northridge (The University Corporation) for performance evaluation and customer satisfaction;
  - City of Long Beach (Administering entity for Pacific Gateway Workforce Investment Network of Long Beach) and/or Long Beach Area Chamber of Commerce for layoff aversion services;
  - Economic Development Corporation of Los Angeles County for layoff aversion services;
  - FutureWork Systems, LLC for performance management and LA Performs website;
  - Geographic Solutions, Inc. for CALJOBS and Job Training Automation systems;
  - Governor's 25% Discretionary Dislocated Worker Funds WSC contractors;
  - HIRE LA's Youth providers;
  - InnerSight, LLC.; Education and Career Assessment;
  - Labor market information providers;

- Leadership training, mentoring, and systems support to youth and young adults providers;
  - Los Angeles Area Chamber of Commerce Foundation;
  - Los Angeles Community College District;
  - Los Angeles Conservation Corps, Inc. (support for Los Angeles Youth Opportunity Movement)
  - Los Angeles Unified School District;
  - Manuel R. Bagaoisan, for technical support; Pamela Williams, WIB consulting services;
  - NEG/Multi-Sector service providers; NEG/On-the-Job Training providers, including Managed Career Solutions, Inc.;
  - Rapid Response service providers;
  - Sector-based initiatives and Sector Workforce Intermediaries providers;
  - Summer Youth Employment Program (SYEP) providers (for various funding sources);
  - WorkSource Center contractors;
  - Youth System assessment service and support providers;
  - Youth Opportunity Movement contractors; and,
  - YouthSource Centers (YSC) and Youth System contractors and subcontractors, including New Regal Health Career Corporation, Los Angeles Conservation Corps, Inc., Los Angeles Community College, Coalition for Responsible Community Development and El Centro de Ayuda FamilySource Center.
- l. Negotiate and execute agreements and amendments to agreements with bidders successful in responding to RFPs or RFQs released by EWDD, subject to City Attorney review and approval as to form and legality and in compliance with the WIB-LEO, City Grant regulations and City contracting requirements;
- m. Make payments of stipends to Youth Opportunity Movement participants from WIA Youth Formula, Community Development Block Grant, Department of Education and other grant funds;

*With respect to non-WIA authorities:*

- n. Authorize the accrual and payment of program and administrative expenses, which are directly related to the operation and oversight of SYEP and Learn and Earn funded through the City General Fund (C.F. 13-0600) and Council Districts 3 and 13 State AB1290 funds (C.F. 13-0011-S17 and 13-0645);
- o. Negotiate and execute Memoranda of Understanding (MOUs) and amendments to MOUs with the City operated Youth Opportunity Movement centers to provide services to youth and present these documents for review by the WIB;
- p. Accept and deposit \$100,000 from Bank of America in anticipated donations (contingent on successful City applications) to the WIB account, and execute grant agreements and/or unilateral amendments and authorize the negotiation and execution of contracts for such services with contractors listed in the Annual Plan for SYEP allocation and Recommendation No. 2w below, subject to City Attorney approval as to form and legality and in compliance with City's contractor requirements and applicable provisions of the WIB-LEO;
- q. Accept \$1,186,700 from Los Angeles County for SYEP and execute grant agreements and/or unilateral amendments and authorize the negotiation and execution of contracts for such services with contractors approved by the WIB, Council and Mayor in the Annual Plan and Recommendation No. 2w below, subject to City Attorney review and approval as to form and legality, approval of the Los Angeles County Board of Supervisors as necessary for the receipt of County funds, and in conformance with WIB-LEO and compliance with City and County contracting requirements;

- r. Accept funds from and execute grant agreements and/or unilateral amendments with other Local Workforce Investment Areas and private funding sources for SYEP, and authorize the negotiation and execution of contracts for such services with contractors approved by the WIB, Council and Mayor in the Annual Plan and Recommendation No. 2w below, subject to City Attorney review and approval as to form and legality, approval of WIB, Council and Mayor as necessary in conformance with WIB-LEO and compliance with City contracting requirements;
- s. Accept \$211,698 from Los Angeles County Probation Department for the High Risk/High Need program and execute grant agreements and/or unilateral amendments with Los Angeles County and authorize the negotiation and execution of contracts for such services with contractors listed in the Annual Plan, subject to City Attorney review and approval as to form and legality, approval of WIB, Council and Mayor as necessary in conformance with WIB-LEO and compliance with City contracting requirements;
- t. Accept \$300,000 from the California Department of Corrections and Rehabilitation (CDCR) to serve Ex-offenders and execute grant agreements and/or unilateral amendments with CDCR and authorize the negotiation and execution of contracts for such services with contractors listed in the Annual Plan, subject to City Attorney review and approval as to form and legality, approval of WIB, Council and Mayor as necessary in conformance with WIB-LEO and compliance with City contracting requirements;

*With respect to administrative authorities:*

- u. Negotiate and execute amendments to the WorkSource (One-Stop) System MOUs between partners of the City of Los Angeles Workforce Development System and negotiate and execute the WIA Five Year Local Plan (Local Plan) and modifications to the Local Plan, subject to WIB approval and subject to City Attorney review and approval as to form. The current Local Plan was initially effective from July 1, 2000 through June 30, 2005. The DOL has allowed either modifications to or extensions of both the State and Local Plans due to the impending WIA reauthorization. Substantial changes to MOUs or to the Local Plan must be presented to the WIB, Council and Mayor for approval;
- v. Negotiate and execute amendments to contracts with SYEP providers (as determined by CDD) and the City for a term effective from July 1, 2013 through June 30, 2014, subject to City Attorney review and approval as to form and legality, in conformance with WIB-LEO and compliance with City contracting requirements. The eligible SYEP proposers pursuant to 2010 and 2013 RFPs include the following:
  - All Peoples Community Center;
  - Asian-American Drug Abuse Program, Inc.;
  - Catholic Charities of Los Angeles, Inc. (Central and South Los Angeles YSCs);
  - Chinatown Service Center;
  - City of Long Beach (Administering entity for Pacific Gateway Workforce Investment Network of Long Beach);
  - Coalition for Responsible Community Development;
  - Community Career Development, Inc.;
  - El Proyecto del Barrio, Inc. (North and South Valley YSC);
  - Housing Authority of the City of Los Angeles;
  - Los Angeles Brotherhood Crusade, Inc. (South Los Angeles YSC)
  - Los Angeles Community College District (Harbor College [Harbor YSC]);
  - Los Angeles Conservation Corps, Inc.;
  - Los Angeles Unified School District;
  - Managed Career Solutions, Inc.;
  - Para Los Ninos;
  - The Regents of the University of California (Central and West Los Angeles YSC);



- UAW-Labor Employment and Training Corporation;
  - Watts Labor Community Action Committee (South Los Angeles YSC);
  - Youth Opportunity Movement (Boyle Heights/East Los Angeles YSC and Watts/South Los Angeles YSC); and,
  - Youth Policy Institute, Inc. (North Valley YSC).
- w. If appropriate, transfer monies up to the maximum amount of the total 2013-14 allotment allowed by WIA statute or by other governmental administrative instructions between the Dislocated Worker and Adult programs. Such transfers shall be reported to the WIB on a regular basis.
3. Authorize by resolution two Senior Project Coordinator, Civil Service Code (CSC) 1538, subject to review and approval by the Personnel Department as to civil service classification, allocation and exemption. Delete two existing positions (one Senior Management Analyst I, CSC 9171-1 and one Project Coordinator, CSC 1537) to offset the cost of the new positions;
  4. Instruct the General Manager, EWDD, or designee, to evaluate existing contracts and develop RFPs and/or RFQs for service providers and contractors during 2013-14 for which sole source or City contracts have been awarded in excess of three years without a formal procurement so as to comply with contracting requirements for competitive bidding as mandated by the WIA, the Los Angeles Administrative Code Section 10.15 et seq., and the Los Angeles Charter, Section 371 and 372 and report back to Council and Mayor with the selections in or prior to the next Annual Plan (2014-15);
  5. Instruct the General Manager, EWDD, or designee, to prepare a report to the WIB, Council and Mayor by October 31, 2013, that identifies all carry-over savings, including those identified herein, as well as to provide a status on all necessary environmental clearances relative to the Annual Plan, and prepare recommendations subject to WIB, Council and Mayor approval regarding the proposed use of such funds;
  6. Find that it is beneficial to the City, and therefore more feasible for EWDD to execute the contracts with service providers listed in the Annual Plan, effective July 1, 2013 to June 30, 2014, subject to the review and approval of the City Attorney as to form and legality and compliance with City contracting requirements;
  7. Authorize the Controller to take the specific financial actions detailed in the Attachment to this report to implement the Annual Plan budget; and,
  8. Authorize the General Manager, EWDD, or designee to prepare additional Controller instructions and any technical adjustments that are consistent with Mayor and Council action required to implement the Annual Plan, subject to the approval of the City Administrative Officer, and authorize the Controller to implement the instructions.

## **FISCAL IMPACT STATEMENT**

There is no additional impact on the General Fund. The recommendations in this report involve the allocation of approximately \$65.7 million toward the Workforce Investment Board Year 14 (Fiscal Year 2013-14) Annual Plan from various federal and state grants and local sources, including Workforce Investment Act Title I, National Emergency Grants, Community Development Block Grant and other formula and competitive grant sources. The recommendations comply with the City Financial Policies in that federal, state and local grant sources and the 2013-14 Adopted Budget support budgeted costs in the Annual Plan.

MAS:BLT:02130151

Attachment

**Workforce Investment Board Year 14 Annual Plan Controller Instructions  
Fiscal Year 2013-2014**

**A. WORKFORCE INVESTMENT ACT (WIA) TITLE I FORMULA - Adult, Dislocated Worker, Youth and Rapid Response (Fund No. 44A)**

1. Establish a receivable from the State of California within the Workforce Investment Act (WIA) Fund No. 44A for \$42,756,823, by funding allocation as follows:

	<u>Title</u>	<u>Amount</u>
Adult		\$ 14,256,598
Dislocated Worker		11,051,714
Youth (Program Year [PY] 13-14 [net of \$2.5 million allocation used for PY 12-13])		12,146,569
Youth (PY 14-15 first quarter)		3,500,000
Rapid Response		1,801,942
	<b>Total</b>	<b>\$ 42,756,823</b>

2. Establish new accounts within the WIA Fund No. 44A and appropriate as follows: *(Worksource and YouthSource Centers Funding from WIA Adult, Dislocated Worker and Youth, net of Youth Opportunity Movement (YOM) Boyle Heights and Watts)*

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K703	WIA Youth *	\$ 10,396,000
22K704	WIA Adult	10,157,393
22K707	WIA Dislocated Worker	7,874,010
	<b>Total</b>	<b>\$ 28,427,403</b>

\* \$12,142,000 less \$1,746,000 allocation for YOM Boyle Heights and Watts and appropriated separately.)

3a.

Increase (Decrease) appropriations within the WIA Fund No. 44A as follows: *(Economic Development Department [EWDD] Administration and Program Support, Rapid Response, Workforce Investment Board, YOM, and Intensive Transitions, net of Fiscal Year [FY] 13-14 Adopted Budget-Schedule 22)*

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ (2,094,426)
22K299	Related Costs - EWDD	(966,342)
	<b>Total</b>	<b>\$ (3,060,768)</b>

3b. Increase (Decrease) appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ (2,035,684)
001070	Salaries-As Needed	(294,343)
001090	Overtime	(17,706)
002120	Printing and Binding	15,242
002130	Travel	38,485
003040	Contractual Services	32,798
003310	Transportation	(18,012)
003340	Water and Electricity	1,384
006010	Office and Admin Expense	190,358
006020	Operating Supplies	85,321
006030	Rent	(92,269)
	<b>Total</b>	<b>\$ (2,094,426)</b>

4a. Increase appropriations within the WIA Fund No. 44A as follows: *(For YOM's supporting program activities)*

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K703	WIA Youth	\$ 531,903

- 4b. Expend up to \$155,000 within the WIA Fund No. 44A for participant supportive services, incentives, and stipends and upon presentation of proper documentation.
- 5a. Increase appropriations within the WIA Fund No. 44A as follows: *(For supporting program activities, net of Intensive Transitions)*

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 15,000
22K703	WIA Youth	633,921
22K704	WIA Adult	1,498,310
22K707	WIA Dislocated Worker	319,572
22K727	WIA Rapid Response	590,000
	<b>Total</b>	<b>\$ 3,056,803</b>

- 5b. Increase appropriation within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
002130	Travel	\$ 15,000

- 6a. Establish new accounts and increase (decrease) appropriations within the WIA Fund No. 44A as follows: *(Other City Departments)*

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K112	City Attorney	\$ 36,831
22K292	Related Costs - City Attorney	3,964
22K126	Controller	(6,725)
22K296	Related Costs - Controller	(22,340)
22K132	Information Technology Agency (ITA)	19,799
22K293	Related Costs - ITA	9,349
22K140	General Services	13,580
22K146	Mayor	78,827
22K294	Related Costs - Mayor	(3,997)
22K166	Personnel	104,635
22K297	Related Costs - Personnel	120,881
	<b>Total</b>	<b>\$ 354,804</b>

- 6b. Increase (Decrease) appropriations within the following funds and accounts:

<u>Fund/Account</u>	<u>Title</u>	<u>Amount</u>
100/12/1010	Salaries-General, City Attorney	\$ 36,831
100/26/1010	Salaries-General, Controller	(6,725)
100/32/1010	Salaries-General, ITA	19,799
100/40/3160	Repairs, Maintenance and Supplies, General Services	13,580
100/46/1010	Salaries-General, Mayor	78,827
100/66/1010	Salaries-General, Personnel	104,635
	<b>Total</b>	<b>\$ 246,947</b>

7. Establish a new account 22K450, Interest Income, within the WIA Fund No. 44A and appropriate \$40,000. *(Estimated interest income for FY 13-14)*

**B. Back to Work (B2W) 25% ADDITIONAL ASSISTANCE PROJECT (Fund No. 55M)**

1. Establish new accounts and transfer appropriations within the B2W 25% Additional Assistance Project Fund No. 55M as follows:

<b>From:</b>		
<u>Account</u>	<u>Title</u>	<u>Amount</u>
22J709	EWDD Program Oversight for FY 13-14	\$ 269,825
<b>To:</b>		
<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 194,058
22K299	Related Costs - EWDD	75,767
	<b>Total</b>	<b>\$ 269,825</b>

2. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 167,469
001070	Salaries-As Needed	3,501
001090	Overtime	183
002120	Printing and Binding	115
002130	Travel	110
003040	Contractual Services	4,440
003310	Transportation	203
006010	Office and Admin Expense	3,062
006030	Rent	14,975
	<b>Total</b>	<b>\$ 194,058</b>

**C. CALIFORNIA DISABILITY EMPLOYMENT INITIATIVE (Fund No. 54N)**

1.

Establish new accounts within the California Disability Employment Initiative Fund No. 54N and appropriate as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 154,351
22K299	Related Costs - EWDD	59,141
	<b>Total</b>	<b>\$ 213,492</b>

2. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 130,870
001070	Salaries-As Needed	692
001090	Overtime	20
002120	Printing and Binding	50
002130	Travel	5,086
003040	Contractual Services	3,468
003310	Transportation	110
006010	Office and Admin Expense	2,454
006030	Rent	11,601
	<b>Total</b>	<b>\$ 154,351</b>

**D. COMMUNITY CHALLENGE GRANT (NELA, Fund No. 53W)**

1.

Establish new accounts and transfer appropriations within the Community Challenge Grant Fund No. 53W as follows:

**From:**

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22J122	EWDD	\$ 30,000
22J299	Related Costs - EWDD	10,000
22J622	EWDD Costs	98,826
	<b>Total</b>	<b>\$ 138,826</b>

**To:**

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 101,627
22K299	Related Costs	37,199
	<b>Total</b>	<b>\$ 138,826</b>

2. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 82,436
001070	Salaries-As Needed	435
001090	Overtime	13
002120	Printing and Binding	32
002130	Travel	5,054
003040	Contractual Services	2,181
003310	Transportation	70
006010	Office and Admin Expense	4,121
006030	Rent	7,285
	<b>Total</b>	<b>\$ 101,627</b>

**E. GETTING LA BACK TO WORK (NATIONAL EMERGENCY GRANT [NEG] MULTI-SECTOR) (Fund 54T)**

1. Establish new accounts and transfer appropriations within the NEG Multi-Sector Fund No. 54T as follows:

<b>From:</b>		
<u>Account</u>	<u>Title</u>	<u>Amount</u>
22J622	EWDD Program Oversight for FY 13-14	\$ 1,473,726
<b>To:</b>		
<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 1,057,309
22K299	Related Costs - EWDD	416,417
	<b>Total</b>	<b>\$ 1,473,726</b>

2. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 881,441
001070	Salaries-As Needed	11,626
001090	Overtime	500
002120	Printing and Binding	572
002130	Travel	791
003040	Contractual Services	32,068
003310	Transportation	1,146
006010	Office and Admin Expense	20,704
006030	Rent	108,461
	<b>Total</b>	<b>\$ 1,057,309</b>

**F. California Department of Corrections and Rehabilitation (CDCR) (Fund 54P)**

1. Establish new accounts within the New Start CDCR Fund No. 54P and appropriate as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 22,352
22K299	Related Costs - EWDD	7,648
22K784	CDCR Institutional Transition Program	270,000
	<b>Total</b>	<b>\$ 300,000</b>

2. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 16,987
001070	Salaries-As Needed	89
001090	Overtime	3
002120	Printing and Binding	7
002130	Travel	11
003040	Contractual Services	448
003310	Transportation	14
006010	Office and Admin Expense	3,307
006030	Rent	1,486
	<b>Total</b>	<b>\$ 22,352</b>

**G. LOS ANGELES CITY SUMMER YOUTH EMPLOYMENT PROGRAM (SYEP) and LEARN AND EARN PROGRAMS (Fund No. 551)**

1. Transfer \$1,991,250 cash from the City General Fund to the General Fund-Variou Program Fund No. 551 for the following programs included in the Adopted Budget:

	<u>Program</u>	<u>Amount</u>
Learn and Earn		\$ 191,250
Youth Employment Program		1,800,000
<b>Total</b>		<b>\$ 1,991,250</b>

- 2a. Decrease appropriation for Account No. 22K122, EWDD, within the General Fund-Variou Program Fund No. 551 for \$401,852. (To modify Adopted budget)
- 2b. Decrease appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 35,221
001070	Salaries-As Needed	347,505
002120	Printing and Binding	75
003040	Contractual Services	1,594
006010	Office and Admin Expense	17,457
<b>Total</b>		<b>\$ 401,852</b>

3. Establish new accounts within the General Fund-Variou Program Fund No. 551 and appropriate as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 219,125
22K713	City General SYEP	1,800,000
22K813	City General Learn and Earn	172,125
<b>Total</b>		<b>\$ 2,191,250</b>

4. Transfer appropriations within the General Fund-Variou Program Fund No. 551 as follows: (EWDD portion of CD 13 AB 1290 \$1 million allocation, C.F. 13-0645.)

<b>From:</b>		
<u>Account</u>	<u>Title</u>	<u>Amount</u>
22J786	CD 13 AB 1290	\$ 100,000
<b>To:</b>		
<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 100,000

5. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 218,724
001070	Salaries-As Needed	23,005
001090	Overtime	58
002120	Printing and Binding	5,148
002130	Travel	248
003040	Contractual Services	26,053
003310	Transportation	321
006010	Office and Admin Expense	15,242
006030	Rent	44,654
<b>Total</b>		<b>\$ 333,453</b>

**H. LOS ANGELES COUNTY PROBATION HIGH RISK/HIGH NEEDS (Fund 45D)**

1. Establish a receivable within the Los Angeles (LA) County Probation High Risk/High Needs Services Program Fund No. 45D for \$211,698.

2. Establish new accounts within the LA County Probation High Risk/High Needs Services Program Fund No. 45D and appropriate as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 164,098
22K299	Related Costs - EWDD	47,600
	<b>Total</b>	<b>\$ 211,698</b>

3. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 100,780
001070	Salaries-As Needed	661
003040	Contractual Services	40,000
006010	Office and Admin Expense	7,998
006020	Operating Supplies	2,490
006030	Rent	12,169
	<b>Total</b>	<b>\$ 164,098</b>

**I. LOS ANGELES COUNTY YOUTH EMPLOYMENT PROGRAM (Fund 45L)**

1. Establish a receivable from the Los Angeles County within the Miscellaneous Fund No. 45L for \$1,186,700.  
 2. Establish new accounts within the Miscellaneous Fund No. 45L and appropriate as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 84,948
22K299	Related Costs - EWDD	33,722
22K723	LA County Youth Employment Program	1,068,030
	<b>Total</b>	<b>\$ 1,186,700</b>

3. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 74,540
001070	Salaries-As Needed	394
001090	Overtime	11
002120	Printing and Binding	29
002130	Travel	49
003040	Contractual Services	1,977
003310	Transportation	63
006010	Office and Admin Expense	1,133
006030	Rent	6,752
	<b>Total</b>	<b>\$ 84,948</b>

**J. WORKFORCE INNOVATION FUND (Fund 54R)**

1. Establish new accounts within the Workforce Innovation Fund No. 54R and appropriate as follows: (*Net of Adopted Budget*)

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 427,507
22K299	Related Costs - EWDD	146,071
	<b>Total</b>	<b>\$ 573,578</b>

2. Transfer appropriations within the Workforce Innovation Fund No. 54R as follows: (*YOM's supporting program activities.*)

<b>From:</b>		<u>Title</u>	<u>Amount</u>
<u>Account</u>			
22J765	Workforce Innovation Fund		\$ 150,000
<b>To:</b>		<u>Title</u>	<u>Amount</u>
<u>Account</u>			
22K122	EWDD		\$ 150,000

3. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 331,587
001070	Salaries-As Needed	2,724
001090	Overtime	79
002120	Printing and Binding	201
002130	Travel	6,337
003040	Contractual Services	13,656
003310	Transportation	436
006010	Office and Admin Expense	27,122
006020	Operating Supplies	150,000
006030	Rent	45,365
	<b>Total</b>	<b>\$ 577,507</b>

4. Expend up to \$424,000 within the Workforce Innovation Fund No. 54R for participant supportive services, stipends, and/or incentives upon presentation of proper documentation.

**K. NATIONAL EMERGENCY GRANT, ON-THE-JOB TRAINING (NEG/OJT) (Fund 51G)**

1. Establish new accounts within the WIA American Recovery and Reinvestment Act (ARRA) Fund No. 51G and appropriate as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K122	EWDD	\$ 10,788
22K299	Related Costs - EWDD	4,307
	<b>Total</b>	<b>\$ 15,095</b>

2. Increase appropriations within Fund 100/22 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries-General	\$ 9,519
001070	Salaries-As Needed	50
002120	Printing and Binding	5
002130	Travel	6
003040	Contractual Services	253
003310	Transportation	8
006010	Office and Admin Expense	89
006030	Rent	858
	<b>Total</b>	<b>\$ 10,788</b>

**L. BANK OF AMERICA (Fund 45L)**

1. Accept and deposit donation of \$100,000 from Bank of America within the Miscellaneous Fund No. 45L and appropriate as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22K221	Bank of America - SYEP	\$ 100,000

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