

BUDGET PLAN SUMMARY

OVERVIEW: PY 13-14 ANNUAL PLAN FUNDING RESOURCES

Although there remains some uncertainty as to the actual total funding the City will receive for PY 2013-14, the City developed the proposed Workforce Development System (WDS) service strategies, activities, and budget for the Year 14 Annual Plan based on estimates from the state of the PY 13-14 WIA formula allocations, plus projected carryover funds from prior year WIA formula and other WIA funds. Also factored into the budget is non-WIA revenue, including funds from the City's Community Development Block Grant (CDBG).

The total formula revenue budgeted for PY 13-14 is approximately \$66.4 million, as detailed under *Tab 4 Budget*. There has been discussion of cuts due to sequestration by the federal government; current reports indicate that California and the City of Los Angeles might see a 4% decrease system wide in formula funds or a \$1,940,000 decrease in WIA Funds. It is expected that due to California's and especially Los Angeles' high unemployment and the region's slower economic recovery, the impact of the sequestration-related reduction might not be as severe as originally anticipated. However, this decrease combined with fewer carryover dollars than in previous years will reduce the system's resources.

The City anticipates that additional resources will become available from the state and federal government through competitive grants as we have seen with the *Getting Los Angeles Back to Work* National Emergency Grant and the *Los Angeles Reconnections Career Academy* Workforce Innovation Grant award allocations.

WIA FUNDING – ESTIMATED REVENUE

For PY 13-14, WIA formula funds represent the primary source of funding for the WDS, accounting for 71% of revenue. The WIA grants comprise the funding base for the City's WorkSource and YouthSource programs, which provide training and placement services to job seekers and youth. Any PY 12-13 funding that is encumbered but not expended by the end of the current fiscal year will be carried into PY 13-14 programs and activities for the WDS to continue to provide services for its customers. The WDS proposes a balanced PY 13-14 budget with the revenue revisions described below. Revisions were made in consideration of expected grant allocations, service delivery needs, the cost of services and system operational requirements.

Table 1: Workforce Investment Act Funding ¹

	PY 12-13 WIA Funds	Estimated PY 13-14 WIA Funds	Difference
Adult	\$15,478,219	\$15,206,050	-2%
Dislocated Worker	11,245,762	11,073,083	-2%
Youth	15,944,183	16,430,166	3%
Rapid Response	1,845,879	1,801,942	-2%
Carryover	5,844,400	4,000,211	-32%
Total	\$50,358,443	\$48,511,452	-4%

CURRENT ECONOMIC IMPACTS ON EMPLOYMENT

The Region and Local Economy

In 2012, California’s annual unemployment rate was 10.5%, a reduction of just over 1% compared to 2011—the first full percentage year over year decrease since the start of the recession. Although a clear indication that the state’s economy is finally rebounding, California’s unemployment is still far behind the national average of 8.1% and much further beyond its own pre-recession unemployment rate of 5.6%.² Regional experts expect this slow, moderate growth to continue, with employment growing 1.7% annually through 2014, predicting that all sectors will add jobs in the upcoming years.³

Table 2: Annual Unemployment

	2012	2011	2010	2009	2008	2007 Pre-recession
United States	8.1%	8.9%	9.6%	9.3%	5.8%	4.6%
California	10.5%	11.7%	12.3%	11.3%	7.2%	5.3%
Los Angeles County	10.9%	12.3%	12.6%	11.5%	7.5%	5.1%
Los Angeles City	12.1%	13.6%	13.9%	12.7%	8.3%	5.6%

Source: Bureau of Labor Statistics

Los Angeles County has followed the state, holding its own with a 1.7% increase in jobs in 2012. Annual unemployment was 10.9%—down an entire percent from the prior year’s 12.3%. As the region is expected to add jobs in the upcoming year, the Los Angeles County Economic Development Corporation forecasts that Los Angeles’ economy will slowly improve but only regain its pre-recession job levels around 2017.

Even with increasing employment, the decline of Los Angeles’ manufacturing industry, which previously provided tens of thousands of well-paying blue collar jobs, has shifted to the economy wherein sectors with the most employment are frequently those lower paid occupations in

¹ Does not include Other Grant Funding and Other WIA Grants (see Executive Summary, Fig. 2)

² Bureau of Labor Statistics, Online Unemployment Annual Averages

³ Los Angeles Economic Development Corp., 2013-14 Economic Forecast & Industry Outlook, February 2013.

theservice and retail trade industries. And while the largely professional and business class industries are still intact, job growth in the City of Los Angeles was essentially flat.⁴

The *Los Angeles 2011 State of the City* study describes the city as a place where most workers provide services for people or manage data and information. Less than one fifth of jobs are in construction, manufacturing, transportation or utilities.⁵ Leading industry subsectors with the most jobs are:

- Educational and healthcare services
- Professional, scientific and related
- Arts, entertainment, recreation and accommodation
- Retail trade
- Manufacturing

Table 3: Industries, Regional

INDUSTRY	Los Angeles City		Los Angeles County		California	
	Count	%	Count	%	Count	%
Civilian employed population (16 years and over)	1,763,336		4,420,242		16,426,694	
Educational services, and health care and social assistance	350,446	19.9%	916,833	20.7%	3,464,259	21.1%
Professional, scientific, and management, and administrative and waste management services	236,405	13.4%	539,460	12.2%	2,067,097	12.6%
Arts, entertainment, and recreation, and accommodation and food services	210,865	12.0%	455,406	10.3%	1,628,412	9.9%
Retail trade	185,583	10.5%	470,340	10.6%	1,846,876	11.2%
Manufacturing	160,306	9.1%	469,601	10.6%	1,631,942	9.9%
Other services, except public administration	129,376	7.3%	286,302	6.5%	895,570	5.5%
Finance and insurance, and real estate and rental and leasing	109,984	6.2%	279,177	6.3%	1,033,647	6.3%
Construction	106,920	6.1%	252,760	5.7%	951,817	5.8%
Information	99,327	5.6%	187,682	4.2%	448,072	2.7%
Transportation and warehousing, and utilities	71,010	4.0%	226,590	5.1%	755,228	4.6%
Wholesale trade	49,762	2.8%	162,179	3.7%	510,624	3.1%
Public administration	43,309	2.5%	150,383	3.4%	797,575	4.9%
Agriculture, forestry, fishing and hunting, and mining	10,043	0.6%	23,529	0.5%	395,575	2.4%

Source: US Census 2011 ACS-1Yr Estimates

Employment and Educational Outlook for the City of Los Angeles

The city of Los Angeles has a civilian labor force of 2,022,183 individuals. Of that number, 258,847 or 12.8% are unemployed. Job losses incurred during the recessions of the last decade have left the city’s economy struggling. The city is now more dependent on small and medium

⁴ Beacon Economics, 2012. LA City Council Districts Economic Report.

⁵ The Pat Brown Institute of Public Affairs, 2011. Los Angeles 2011: State of the City.

business *and*—like the rest of the county—on the newer more technologically oriented businesses.

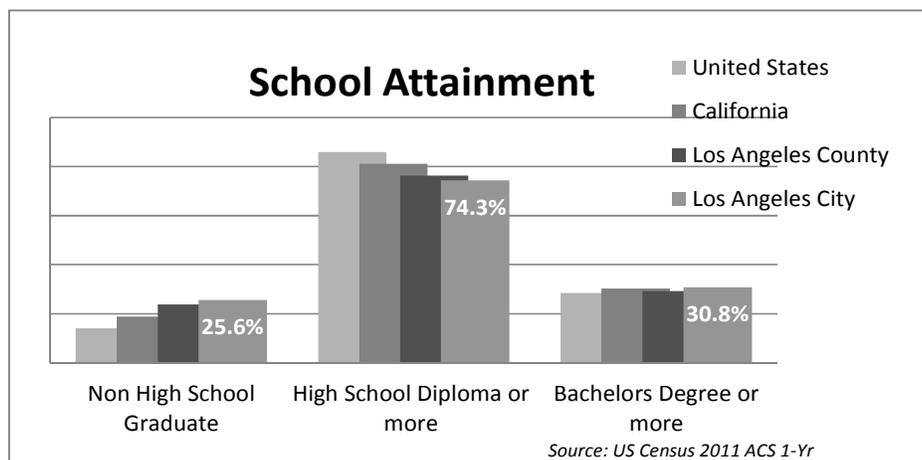
In the past many of the blue collar jobs required employees to have basic skills, most achieved during high school. However, these 21st century industries demand a more educated and highly skilled workforce. Regional experts identify as critical the need to successfully address this “*gap between the skills of the local labor force and the expertise needed by the knowledge-based industries, which must grow for the city to thrive...*”⁶

The Bureau of Labor Statistics (BLS) projects that almost half of all job openings in the next decade will be in the broad categories that are mostly middle skills, followed by jobs requiring high-skill levels, with the remaining jobs in the low skill (service) occupations.⁷ Middle-skill jobs are those that generally require some education and training beyond high school but less than a bachelor’s degree. Such postsecondary education and training requirements can include associates degree, vocational certificates, significant on-the-job training, previous work experience and/or some college, but less than a bachelor’s degree.⁸ Generally,

- High-skill occupations are usually those in the professional/technical and managerial areas
- Low-skill occupations are often found in the service and agricultural areas
- Middle-skill occupations are all the others, including clerical, sales, construction, installation/repair, production, and transportation and material moving

Unfortunately, statistics indicate that *26% of adults in Los Angeles have no high school diploma.*

Figure 1: Educational Attainment



⁶ The Milken Institute, 2005. The Los Angeles Economy Project, Executive Summary.

⁷ Center on Children and Families, 2009. The Future of Middle-Skills Jobs.

⁸ The Future of Middle-Skills Jobs.

If we consider LA’s leading and competitive industries—(1) Professional, science and technical services; (2) Motion picture production and sound recording; (3) Goods manufacturing and logistics; (4) leisure and hospitality; and the fastest growing (5) education and health—these industries employ occupations that require both actual work experience *and* significantly more education than just a high school diploma alone.

WORKFORCE DEVELOPMENT STRATEGIES

The City of Los Workforce Investment Board (WIB) has consistently responded to the challenges faced by the workforce delivery system by refining and improving its services, policies and programs to increase services to business, dislocated worker, adult, and youth populations. One strategy has been to increase sector based and job seeker training opportunities so workers can get better paying jobs. Through these program innovations, the WIB is also increasing its understanding of key and emerging industries in the city. This is crucial as the WIB strives to strategically address and support the growth and stability of businesses and its workforce population.

Working towards aligning the City’s workforce programs around the needs of the regional economy, this year the WIB agreed to the proposed alignment of the six workforce development strategies with the California Workforce Investment Board’s four statewide strategic goals:

Table 4: California Workforce Investment Board Strategic Goals

State Goals	Definition
1. Business and Industry	Meet the workforce needs of high demand sectors of the state and regional economies
2. Adults	Increase the number of Californians, including from under-represented demographic groups, who complete at least one year of postsecondary education with a marketable credential or degree, with a special emphasis on veterans, disabled individuals, disconnected youth, and other at-risk populations
3. Youth	Increase the number of high school students, including those from under-represented demographic groups, who graduate prepared for postsecondary education and/or a career
4. System Alignment and Accountability	Support system alignment, service integration, and continuous improvement using data to support evidence-based policymaking

Key Workforce Development Strategies have been aligned to support these new goals to ensure that business has access to a trained workforce and workers have access to quality jobs.

Employing these strategies with an emphasis on worker training programs has progressively enabled the WIB to improve the resources available to the City’s workforce and to the business community. In an effort to better serve youth, the Youth Council began implementation of a *high school dropout recovery system* as an additional strategy. The newly re-designed YouthSource system serves to operationalize this strategy.

Similarly, given society's heightened attention on the military and the special needs of unemployed veterans of the wars in Afghanistan and Iraq, addressing these concerns becomes more immediate with the growing numbers of returning veterans.

In recognition of this increasing population, the WIB established the Veterans Employment and Training Services (VETS) Subcommittee to more closely examine and address the needs of unemployed veterans. The VETS Subcommittee has developed and will implement its work plan, which lays out a set of achievable goals and tasks for completion by the Subcommittee during the program year. The work plan periodically will be reviewed during future VETS Subcommittee meetings to measure and ensure the plan's progress.

The WDS continues to be challenged with increasing the capacity of the city's workforce by preparing its workers for employment in occupations that are expected to be in high demand in the future. As the city continues to face unprecedented economic challenges during PY 13-14, the framework the Workforce Development Strategies provide continues to be instrumental in addressing the job training and placement needs of the city's low-income residents and displaced workers.

MAJOR ACCOMPLISHMENTS FOR PY 12-13

Implementation of the YouthSource System

Procured in PY 11-12, the redesigned YouthSource system began in PY 12-13. With a heightened focus on addressing the high school dropout crisis and implementing student recovery efforts, the new system places a priority on provision of services for out-of-school youth and in-school youth who are most in need. Indicators of need include chronic absenteeism, functioning below grade level, being credit deficient, and unsuccessful completion of the California High School Exit Exam (CAHSEE).

Revised SOFA

A task force was convened to review and consider what elements of the annual performance evaluation that measures Customer Satisfaction, Outcomes, Flow or volume of customers served, and Aministrative Capability (SOFA) should be revised. The outcomes of the task force are reflected in the revised Certification Policy and Procedures.

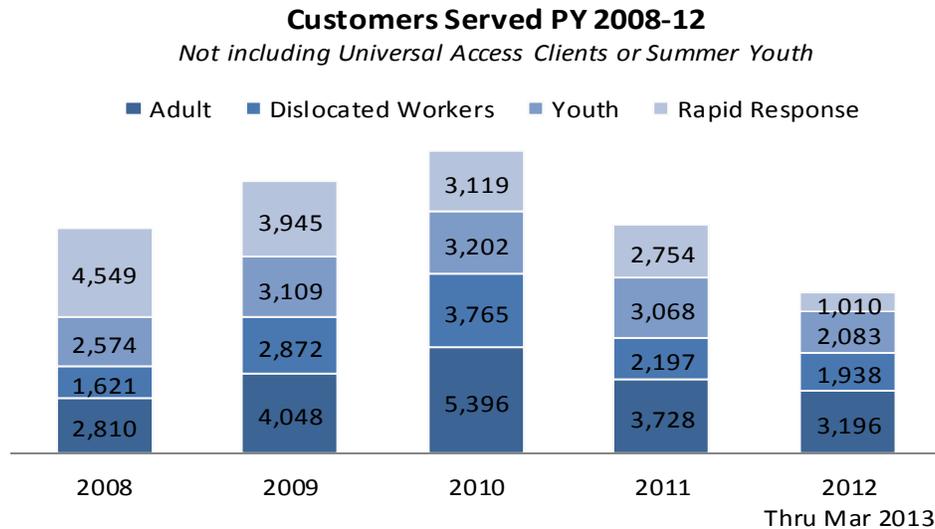
Universal Access Study

Universal access customers were surveyed onsite at WorkSource Centers (WSC) for customer satisfaction. Universal access customers were also contacted through a telephone survey to find out about their outcomes. Universal access customers served before the recession began (December 2007) or who were customers in PY 10-11 were randomly sampled and surveyed for their perception of the impact of services provided by a WSC (accurate telephone numbers were required to contact customers for the survey). Results indicate that an estimated 144,500 universal access customers were placed into living wage jobs between PY 2005-06 and PY 2012-13.

CUSTOMERS SERVED

The figure below provides a breakdown of the number of Adult, Dislocated Worker, Youth and Rapid Response clients served with WIA funds through WDS activities and programs from 2008-09 to the present.

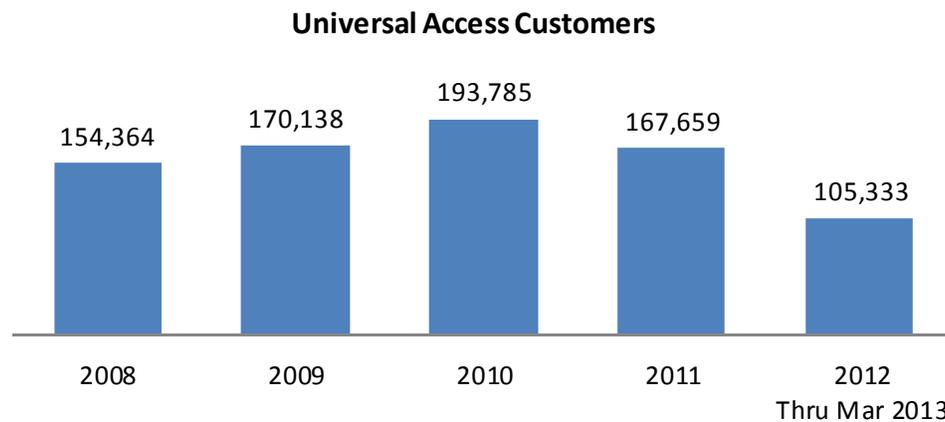
Figure 2: Customers by Funding Source



Source: LA Performs Online Database

Below see the total number of Universal Access Customers served since PY 08-09. Note that the current year, PY 12-13, reflects only 7 months of activity.

Figure 3: Universal Access Service Levels



Source: CDD and LA Performs Online Database(py2012 only)

SYSTEM ACTIVITIES PROPOSED FOR PY 13-14

The discussion below highlights a number of services and activities that the WDS are proposed as new and/or continuing in PY 13-14, and identifies the relevant Workforce Development Strategy or strategies under which each activity is aligned. Further detail on PY 13-14 services and activities is provided in *Tab 3 Services Strategies and Activities*. *Tab 4 Budget* provides detailed budget information for PY 13-14 services and activities. The Community Development Department (CDD) intends to provide the WIB with quarterly expenditure and performance data on all Plan activities.

ADULT AND DISLOCATED WORKER ACTIVITIES

(2)Adult and (1)Business & Industry strategies

Formerly strategy #2 - Strengthen the region's workforce development system

WorkSource Centers: WorkSource Centers are the core of the adult and dislocated worker segment of the Workforce Development System. WorkSource Centers serve customers through services described as *universal access*, which means that any adult can enter a WorkSource center, conduct self-directed job search activities, use equipment in the resource room, and meet with other job seekers. For PY 13-14, it is recommended that the WorkSource centers funding be reduced by 3% for the first six-month period with the balance of the funds going to the awarded contracts when the outcomes of the RFP are released.

During PY 13-14, the WDS will continue to provide services to Universal Access clients. However, it is proposed that the system move toward implementation of the Integrated Services Delivery Model started by the state Employment Development Department that promotes the enrollment of all WorkSource center customers.

Enrolled customers are eligible to receive staff-supported services, including career counseling, case management, supportive services, and training. Service levels for the WorkSource Centers for the current year and the prior three years are available in figures 2 and 3. The Customer Service level for PY 13-14 is expected to continue to remain high.

Planned WorkSource Center Procurement

It is proposed that a Request for Proposals be issued during PY 13-14 for competitive procurement of organizations to operate WorkSource Centers beginning in January 2014. With ongoing concerns regarding the possible diminishment of funding for WIA programs, and an increasing focus on job training versus direct job placement, the program design for the new WorkSource Centers must be ready to adapt to these and other changes

New program elements to be incorporated in the WorkSource Center program are:

1. *Training Expenditure Requirement*

State Senate Bill SB 734 imposed new training expenditure requirements on local boards carrying out WIA funded programs. In PY 12-13, local boards were required to spend at least 25 percent of their adult and dislocated worker WIA formula fund allocations on workforce training services (this minimum training expenditure requirement does not apply to the youth WIA formula fund allocations). The local WIA performance required training expenditure rate will increase to 30% for PY 13-14.

2. *Ten Percent Veterans Enrollment Requirement*

The Workforce Development System proposes to enroll a minimum of 10% of Veterans into the WorkSource Centers.

3. *Integrated Service Delivery*

The Workforce Development System proposes to move toward establishing the Integrated Service Delivery (ISD) model. Within California's workforce development system, the ISD model began in PY 07-08 when Learning Labs were established to explore opportunities for establishing an integrated service model that responds to industry demand; aligns services and training with current local and regional labor market requirements; provides job seekers with skills that lead to self-sufficiency; responds to employer demand; and improves efficiency and reduces duplication of services.

The ISD model seeks to increase service delivery and improve performance outcomes by working with an integrated customer pool, ensuring an integrated customer flow design, and moving toward integrated staffing at the One-Stops. It is the intent of the State that the ISD model be expanded to all of its Local Workforce Investment Areas. The California WIB completed a Phase I evaluation of the ISD sites, highlighting implementation experiences, including drivers of success and challenges, and through in depth case studies of four sites. The study was presented to the WIB in PY 10-11.

The City participated in the Phase II summative evaluation of the ISD model, which compared the experience of the One-Stops using the ISD model with similar ones not using the ISD model. The evaluation examined the impact of the ISD model on the volume and types of services delivered, customer satisfaction, cost of services delivered, and performance as measured by federal performance measures.

4. *Services to Vulnerable/Special/Targeted Populations*

The Workforce Development System will continue to provide employment and training services to vulnerable populations including but not limited to: ex-offenders, the disabled, and low-income basic skill deficient adults lacking the education and workforce skills needed for 21st century employment. The WDS will continue to partner and leverage resources as well as identify additional funds to provide for staff training and technical assistance to better service the employment and training needs of vulnerable populations through the Workforce Development System. A list of organizations qualified to serve vulnerable populations was established in PY 12-13.

5. *Leveraging of WIA Resources*

CDD will continue work on the development of a reliable methodology to measure the extent to which WIA funds leverage other sources of funding. CDD will determine the extent to which mandated partners contribute to One-Stop operations through a Resource Sharing Agreement. The leveraging of resources will also contribute to meeting a portion of the new State minimum training expenditure requirement—an amount of up to 10 percent of adult and dislocated worker formula fund allocation.

Adult Planned Service Strategies and Activities

California Disability Employment Initiative

As part of a statewide demonstration project, the City of Los Angeles Workforce Development System will serve more individuals with disabilities. This project will foster stronger linkages to the employer community and will inform employer and industry associations on tax credits, on-the-job training opportunities and other incentives available to promote hiring. The intent of this effort is to increase employer awareness of and dispel the myths of hiring people with disabilities. These funds will not supplant any funding otherwise available to a job seeker in the form of WIA intensive or supportive services, but will be used to close gaps in services (including addressing reasonable accommodation requests). In addition, as an Employment Network under the Social Security Administration Ticket-to-Work program, the City seeks to increase the employment opportunities and choices for Social Security disability beneficiaries.

Living Independently Through Employment (LITE) Program

Funded through the Community Development Block Grant (CDBG) and approved through a separate City plan approved by the Housing and Urban Development Department, the Skid Row Development Corporation runs an Employment Portal at a homeless center in downtown Los Angeles to provide job search and job placement assistance, supportive services, etc. essential to Skid Row residents in obtaining gainful employment. This is part of the “Living Independently through Employment” (LITE) project.

Institutional Transition Program

Funded by the California Department of Corrections and Rehabilitation (CDCR), the Transition Program has been established to provide the CDCR inmates with job readiness and job skills prior to their release from prison. Through a series of modules, each participant will learn about community resources and programs that can assist them in their transition back into their communities.

Rapid Response Services

The City’s Rapid Response (RR) Team has implemented six programmatic strategies towards fulfillment of its mission to minimize and/or mitigate the impact of layoffs on recently unemployed individuals in the City of Los Angeles. The RR Team provides Rapid Response services to businesses and dislocated workers through linkages with U.S. Department of Labor (DOL), various divisions of the State Employment Development Department (EDD), WorkSource Center system, and other public and private partners. These six strategies, including a summary of core service delivery strategies, are outlined below:

1. *Rapid Response Core Services/Strategies*

- Responds to layoff notifications, both with a Worker Adjustment and Retraining Notification [WARN] and without a WARN;
- Schedules RR planning meetings with employers, labor representatives, and RR partners to ascertain company and employee needs and develop a plan of action;
- As needed, schedules and coordinates pre-layoff workshops/events (resume preparation, interview skills, job search strategies, financial seminars, stress management, job fairs/customized recruitment, etc.);
- Schedules customized orientations—Rapid Response and Trade Adjustment Assistance (TAA-in partnership with EDD);
- Collects participant data, tracks program activities, and reports to oversight authorities;
- Identifies and requests special funding to address mass layoffs and industry-specific adverse impacts to the city of Los Angeles' economic base.

2. *Layoff Aversion/Business Retention*

Rapid Response provides services to at-risk businesses to avert or reduce layoffs and retain businesses in the greater Los Angeles region. This has been done in partnership with the Mayor's Office Business Team, the BusinessSource System and two economic development contractors (Economic Development Corporation of L.A. and City of Long Beach Pacific Gateway Workforce Investment Network). CDD leverages existing resources and ensures layoff aversion efforts are provided in a coordinated, non-duplicative manner. This program will need to be procured for PY 13-14 as the procurement for the contracts will have expired. Services include:

- Establishing early warning systems, and formal and informal channels of communication to foretell worker layoffs in advance of the issuance of WARNs;
- Identifying struggling businesses and connecting them to the resources they need to survive, thrive, and preserve jobs;
- Connecting businesses to the WDS customized training offerings to combat low-skilled worker layoffs;
- Collecting labor market information to identify industry trends that may be predictors of worker layoffs;
- Mapping the skill sets of workers in declining industries and identifying potential job opportunities for them in flourishing industries requiring the same skill sets;
- Arranging financial restructurings, buyouts, and ownership transfers of distressed businesses, as an alternative to closures and worker layoffs.

3. *Community Outreach*

The Rapid Response Team reaches out to dislocated workers, local at-risk businesses, marginalized communities, the unemployed/ underemployed and connects them to available resources. Rapid Response Team members inform city constituents through presentations and distribution of program brochures via:

- Job fairs and community events
- Community engagement campaigns
- Chambers of commerce and other business organizations
- Media
- Union partnerships
- Industry associations
- Local elected officials

4. Public Sector

The RR Team provides services to public sector organizations and employees via leveraging of public sector resources, close coordination with public sector departmental entities and aggressive outreach and informational activities. The RR Team:

- Works closely with public sector organizations in addressing layoffs (LAUSD, US Census, Superior Courts, etc.;
- Streamlines services to public sector dislocated workers;
- Stays knowledgeable of impending public sector announcements of new layoffs;
- Works in tandem with WorkSource Centers and other community RR team members to ensure public sector dislocated workers receive the best customer service available reflected through increased enrollment, case management, and intensive and training services;
- Provides second-tier outreach to public sector employees to ensure adequate information and resources are rendered;
- Develops and employs strategies for expedited reemployment of public sector dislocated workers.

5. Research and Training

The RR Service Team conducts research and participates in training to build team capacity, as well as provide information to jobseekers concerning resource availability, job opportunities and industry-specific opportunities. This includes:

- Tracking growth and decline trends of local industry sectors;
- Understanding Trade Adjustment Assistance (TAA) guidelines;
- Gathering local demographics;
- Understanding and having the ability to communicate with diverse cultures within Los Angeles;
- Providing available up-to-date information on training programs and employment opportunities;
- Monitoring RR-related grant-funded contracts;
- Creating and maintaining relevant resource directories for dissemination to employers, dislocated workers, and the public, including vulnerable populations, i.e., Limited English Proficient;
- Conducting and/or obtaining system-wide RR staff development training;
- Providing technical assistance to the WDS.

6. *Data Collection/Tracking/Reporting*

The RR Team has implemented tracking and data collection systems to conduct research and capture key indicators of employment, job creation and retention, industry growth and their economic impact on the Los Angeles. The RR Team may generate comprehensive and analytical reports based on RR data collection, including:

- Employers and participants
- Declining and growing industry sectors
- Rapid Response activities (WARNs and Non-WARNs)
- Layoff aversion and business retention services
- Rapid Response orientation attendees that connect with the City's WDS

YOUTH ACTIVITIES

(3) Youth and (1) Business & Industry strategies

Formerly strategy #4 - Connect young people to jobs

Research shows that nearly 20% of youth in Los Angeles, ages 16 to 24, are disconnected from education and employment.* This means that approximately 97,000 young people within the City of Los Angeles are not in school, work, or preparing to enter the workforce. Given the “skills gap” that exists in our current workforce, the WIB recognizes the importance of addressing out-of-school youth and overcoming the high school drop-out rate if we are to successfully prepare our youth to become active participants in the 21st century economy.

The City's YouthSource System goal is to prepare underserved youth for success in employment and adult life. However, these youth have multiple barriers for success in employment such as: living in poverty and/or in a low income household; being a high school drop-out; living in foster care; being a probationer; residing in one of the City's Gang Reduction and Youth Development (GRYD) zones; and/or being part of populations of young parents, lesbian, gay, bisexual and transgender (LGBT) and homeless youth. Targeted youth programs operated by community-based organizations, local educational entities, and the City-operated Youth Opportunity Movement implement the following WDS strategies and activities for improving basic work readiness as follows:

- In-School Youth – improve basic reading and math skills and work readiness training to assist youth to graduate from High School and enter employment or post-secondary school
- Out-of-School Youth – provide basic skills, work readiness, occupational skills training and job placement services so that these young adults may return to school, attain a credential, and/or secure employment.

* Netta P. Fogg and Paul Harrington, “One Out of Five” A Report on Out of School and Out of Work Youth in Los Angeles and Long Beach, November 2004.

YouthSource System

In PY 11-12, the youth system went out to bid for competitive procurement of organizations to comprise the new YouthSource system beginning in PY 12-13. With a heightened focus on addressing the high school dropout crisis and implementing student recovery efforts, the system places a priority on provision of services for out-of-school youth and in-school youth who are most in need. Indicators of need include chronic absenteeism, functioning below grade level, being credit deficient, and unsuccessful completion of the California High School Exit Exam (CAHSEE).

In addition to improving student retention and bolstering academic proficiency, the system aims to assist in preparing youth for the decisions they face about next steps after high school. An emphasis will be placed on guiding youth through an assessment and a self-inventory process that helps them identify their interests, preferences, motivations, and options. From an informed stance, youth will be better prepared to map out a path toward higher education, vocations, and careers.

System goals for PY 13-14 include increased leveraging of services by developing partnerships that bring relevant expertise and allow the system to more fully concentrate on its strengths; reduce infrastructure costs; and initiation of a sector focus approach that incorporates career ladders in high growth areas.

LAUSD Drop-Out Prevention and Recovery Counselors Systems' Support)

Los Angeles Unified School District's (LAUSD) Office of Pupil Services continues to serve as a mandatory partner collaborator for all YouthSource Centers to identify out-of-school youth and target them for services. LAUSD counselors will work with the City's YouthSource Centers. The counselor will coordinate with YouthSource Center case managers to provide them access to all LAUSD educational programs, specialized educational activities, and support programs.

Youth Education and Career Inventory

Piloted in PY 11-12 and extended through PY 12-13, the *Innersight Experience* is a person-centered inventory or assessment process to help youth to understand their own individual preferences. YouthSource system participants complete their inventory, participate in a guided session with professional development experts, and receive an individually tailored guide book that contain their interests, preferences, skills, and strengths. Additionally, using this assessment process, youth program case managers have been trained to better prepare and implement an Individual Service Strategy that will lead to educational and career choices most appropriate for each youth. The *InnerSight* experience has been well received by participants and case managers, and has improved youth program participation and excitement about planning and achieving their educational and career goals.

InnerSight uses a widely researched and consistently validated interest and preference inventory designed to identify and clarify preferences, interests, learning, and communication styles in both youth and adults. The results of the experience session empower participants by providing them

a *vocabulary* for discussing their personal and career interests; a *context* for understanding their preferences in terms of who they are; a *framework* for making choices about their present and future educational goals that are in alignment with their preferences, interests and talents; and *language* to use in developing resumes, completing letters of application for college or career in a personal and professional manner. *InnerSight* experience will assist case managers in helping youth create their Individual Service Strategy to enroll in education and job training programs that are based on their interests and preferences. This results in a greater return on investment by ensuring that youth complete training goals and are more likely to find employment related to their training. These services are subject to procurement for PY 13-14.

LA Reconnection Career Academy (funded through the Workforce Innovation Fund)

The Los Angeles Reconnections Career Academy (LARCA) will support the enrollment of 1,200 young people between the ages of 16-24 over the next three program years. The program model focuses on 100% drop out recovery with connections back to school and career pathways and includes a robust evaluation component conducted by the Social Policy Research Associates (SPR). The program will be administered by the CDD with direct services provided by the Youth Policy Institute, the Coalition for Responsible Community Development, the Los Angeles Conservation Corp and the Los Angeles Youth Opportunity Movement, Watts and Boyle Heights YouthSource centers. There is an allocation of \$4 million to spend each year which includes all related CDD and contractor costs.

Summer Youth Activities and Services

In the past, modest funding has been obtained to implement the Summer Youth Employment Programs, which enable youth to gain exposure to careers and the work world while developing fundamental workplace skills (communication, time management and problem solving) and earning a paycheck. Participants work under the guidance of a supervisor on the job.

Summer Youth Employment Program (SYEP)

The Summer Youth Employment Program (SYEP) has been a key service component for well over 30 years in the City of Los Angeles. Youth and young adults between the ages of 14-24 have the opportunity to earn a paycheck while developing foundational work place skills and a connection to the labor force.

HIRE LA's Youth Campaign

The goal of this program is to hire young adults into *unsubsidized employment*. In partnership with the Los Angeles Chamber of Commerce Foundation, this program provides youth, ages 16-24, with job skills workshops and mock interviews to obtain Work Readiness Certificates (WRC). Hiring events and recruitments are continuously planned throughout the City to highlight the program and to promote the value of the WRC to the business community and to connect youth job seekers with employers.

Youth System Support

The Youth System Support Services will assist YouthSource Centers with technical assistance and training to provide career and education support services to youth and young adults

Plan Overview

ages 14-21 who are low income and have additional barriers to employment. Services are targeted to assisting youth and young adults who have barriers such as reading and/or math deficiencies, are homeless, an offender, pregnant or parenting, and/or a high school dropout. Services include one or more of the DOL defined youth WIA ten program elements as well as additional elements required of the YouthSource Centers. The goal is to provide additional resources and expertise to prepare underserved youth for success in education, employment and adult life.

Los Angeles Youth Opportunity Movement (LAYOM)

Through WIA and Community Development Block Grant (CDBG) funds, the LAYOM supports the development of Los Angeles youth by implementing its mission of promoting youth achievement by working with families and community partners to create opportunities for youth (ages 16-24 years) to reach their education, employment and personal development goals. In partnership with local community based organizations, LAYOM operates two centers featuring vocational, educational, career, and social support systems that emphasize the talents and capacities of the community's youth and families. LAYOM serves disconnected youth and provides recruitment, assessment, case management, job preparation, internships, career counseling, job placement, leadership development and educational placement in a client-centered, individual approach.

In PY 13-14, LAYOM will continue to implement the WIA-funded *Intensive Transitions* project that supports youth offenders returning from probation camps, linking them to education and employment opportunities through the YouthSource System. Services include anger-management training, individual counseling, parent education, after school tutoring, and community service. The case management program has shown an increase in successful completion of probation, reduced recidivism, community service and restitution.

Cash for College

PY 13-14 funding will provide for a campaign, designed to encourage students to pursue a college education. The campaign's many activities will include:

- *A College and Career Convention* that features speakers and seminars on college life, interactive career demonstrations, financial aid presentations, and an exhibit hall of college recruiters.
- *Workshops* throughout Los Angeles at which students and their families receive information about the availability of financial resources for college and assistance in completing the Free Application for Federal Student Aid (FAFSA) and Cal Grant application. This activity is subject to procurement in PY 13-14.

SECTOR INVESTMENTS AND INDUSTRY SECTOR TRAINING INITIATIVES

(1) Business and Industry strategy

*Formerly strategies #1: Develop sector based training programs
and #3: Leverage public sector hiring and contracting*

Getting LA Back to Work National Emergency Grant—Multi-Sector (NEG-Multi-Sector)

The NEG—Multi-Sector is a special grant from the U.S. Department of Labor (USDOL) to the California Multi-Sector Partnership, a consortium of 21 contiguous California LWIAs, including the City, to provide workforce-related services. The services include core, intensive, training (including on-the-job), and support services to persons dislocated in mass layoffs of 50 or more from the Census, the LAUSD, and the City, as well as any additional layoffs identified by the USDOL. Priority of service is as follows: veterans and their eligible spouses, dislocated workers, recipients of public assistance, and low-income individuals. The grant period was originally March 18, 2011 through March 17, 2013. An additional \$13 million dollars has since been awarded to the City and the grant was extended through March 2014. All WorkSource Centers applied for and have been awarded funds for the provision of services.

Workforce Investment Board (WIB) Innovation Fund

WIB investments are reserved for high-road partnerships involving employers, employer associations, organized labor, educational institutions, government agencies, community and faith-based organizations, and workforce development entities. The WIB Innovation Funds underwrite training and other related activities that produce skilled workers for employment in industry sectors that:

- Are not likely to off-shore jobs
- Have the greatest potential for generating and sustaining jobs
- Pay living wages or offer employment in occupations with career ladders that allow for progressive wage gains

Such WIB investments will assist customers in training for employment in the following industry sectors which are expected to experience future growth in Southern California: advanced and industrial manufacturing; construction; early childcare and education; entertainment; financial services; healthcare and life sciences; hospitality and tourism; private security; logistics, transportation, goods movement; and utilities. Some of these sectors fall under the category of “green.”

Participants served by these programs shall be in addition to those served under the WorkSource and YouthSource Centers’ primary agreements. To the extent possible, expenditures and participant outcomes will be tracked separately. Programs funded by the WIB Innovation Fund have included industry sector initiatives in recent years. The WIB has recommended that previously identified priority industry sectors be re-examined and updated to reflect current economic trends.

EVALUATION/STUDIES

(4) System Alignment and Accountability strategy

Formerly strategies #1-Develop sector-based training programs,

#2-Strengthen the region's workforce development system and #4-Connect young people to jobs

Customer Satisfaction Surveys and LA Performs

This initiative continues to fund the performance management system (LA Performs). LA Performs uploads WDS customer activity data from the state's Job Training Automation (JTA) System and sorts and displays the data in scorecard format. LA Performs serves as the data source for the SOFA Annual Performance Evaluation. Satisfaction surveys are conducted on a sample basis of WDS customers by a third party. The results are then incorporated into the SOFA Annual Performance Evaluation. For PY 13-14, this activity is subject to procurement and a Request for Proposals has already been issued, with an increased emphasis on electronic surveys to increase the sample size.

Crossroads Workforce Policy Symposium

Continued funding for this annual policy symposium will engage policy makers, city leaders, as well as workforce development professionals in a day-long policy meeting around a singular topic impacting the Los Angeles region economic and workforce community. The goal is to highlight, educate and lead the discussion of critical issues surrounding veterans' workforce development. Prior Crossroads policy symposium topics have included out-of-school youth, foster youth, ex-offender job seekers and veterans

Program Evaluation

Evaluation of WDS contracts continues to evolve. This activity is subject to procurement together with Customer Satisfaction. For PY 13-14 a new focus will be on the evaluation of the impact of the WDS on the local economy.

Labor Market Information and Analysis

Labor Market Analysis is used to conduct objective research on and analysis of a wide range of workforce development and economic issues (e.g., industries and jobs in demand, employment levels and wage rates, availability of training resources, etc.). This information is also used to evaluate industry sector initiatives and high growth industries in connection with employment and job training.

CONTINUOUS AND PROCESS IMPROVEMENTS

(4) System Alignment and Accountability

Formerly #1-Develop sector-based training programs and #2-Strengthen the regions workforce development system

Funding for Fiscal and Special Audits: Provides funds to support CDD's Financial Management Division with regard to fiscal reviews and special audits, and fiscal and

administrative training. See *Tab 3, Service Strategies and Activities*, for additional details on these activities.

Certification Requirements for WorkSource and YouthSource Centers: The WIB Certification Policy requires WDS contractors to adopt Malcolm Baldrige National Quality Award criteria in their management practices. The Certification Policy calls for Centers to apply for California Awards for Performance Excellence (CAPE), from the California Council for Excellence (CCE). CCE helps public, private, and nonprofit organizations achieve “world class” results through Malcolm Baldrige National Quality Award principles and criteria. Organizations receive CAPE recognition from CCE for incorporating these principles and criteria into their management and operational practices. CAPE applications are due for all YouthSource Centers by December 31, 2013. No funding is recommended for this item as it will be funded through Centers’ budgets.

Performance Improvement Consultant Services: This line item has funded the Workforce System Performance Excellence process in the past, though no WIA funding is recommended at this time. Services were procured in PY 10-11 for the provision of Performance Excellence-related training, staff development, and technical assistance, including continued development of the WDS’ Balanced Scorecard and other department scorecards, consultation on the use of the Malcolm Baldrige Criteria for Performance Excellence, facilitation of process management activities, and consultation and technical assistance regarding the City’s award-winning application for the California Awards for Performance Excellence (CAPE) Program. MaryAnn Pranke Training and Consulting, Inc. was selected through a Request for Proposal (RFP) process. Any WIA resources expended on this activity will be leveraged against the State’s Employment Training Network fund.

Information System: The WDS will continue the gathering and reporting of all participant related data through CDD’s ISIS case management system. This will continue pending implementation of the State’s new automated data management system that is scheduled for release on July 1, 2013. PY 12-13 funding will also provide staff with the necessary means to respond to State revisions to new job tracking system.

Conversion to California Workforce Services Network: The California Workforce Services Network (CWSN) will replace both the current Job Training Automation (JTA) and CalJOBSsm systems. This new system is expected to be fully operational by the Summer 2013. CDD will work with WorkSource and YouthSource contractors to prepare for the implementation of this new system

MISCELLANEOUS ACTIVITIES

(1) Business and Industry strategy

Formerly #1 Strengthen the region's workforce development system and #2 Adult

Promotion and Outreach

Provides funding for marketing materials and a range of activities that:

- Increases recognition of and support for the WIB, and identifies it as a trusted source of human capital for employers and workforce development services for job seekers
- Builds awareness of the Workforce Development System and Industry Sector Training initiatives
- Explains the relationship between the WIB and the Community Development Department and facilitates joint messaging

Please see:

Tab 3, Service Strategies and Activities, for a complete listing of PY 13-14 programs and their WIA and non-WIA funding sources and allocations for PY 12-13 and PY 13-14.

Also for your review and information, see:

Tab 4, Budget, for detailed budget information

Tab 5, Policies, for proposed new and revised WIB Policies

Tab 6, Status of Supporting Program Outcomes Activities, for a review of PY 12-13 funding and outcomes

Tab 7, PY 11-12 Performance Evaluations