DATE:       June 27, 2017

TO:         LA's Workforce Development System

FROM:       Gerardo Ruvalcaba, Director
            Workforce Development System

SUBJECT:    WDS DIRECTIVE NO. 17-20
            INFRASTRUCTURE COSTS REPORTING

EFFECTIVE DATE
This directive is effective on issue.

PURPOSE
This directive requires the Adult Workforce Development System to report all infrastructure costs and to calculate the proportionate share borne by partner programs.

BACKGROUND
On October 14, 2016, the State of California's Employment Development Department (EDD) and the California Workforce Development Board (CWDB) issued Workforce Services Directive 16-09 regarding WIOA Phase II Memoranda of Understanding MOUs. The Workforce Innovation and Opportunities Act (WIOA) requires Local Boards to develop MOUs with all America's Job Center of California℠ (AJCC) required partners in their local area. Phase II MOUs must address how to sustain a unified system through the use of resource sharing and joint infrastructure cost funding. These Phase II MOUs must be in place by September 1, 2017, or the state funding mechanism will be triggered.

The City of Los Angeles (City) intends to negotiate MOUs covering the entire AJCC system rather than individual MOUs for each center. To facilitate the development of these MOUs, the City must gather certain information from each center to determine the proper allocation of infrastructure costs between partners.

Definition of Infrastructure Costs - Infrastructure costs are defined as non-personnel costs that are necessary for the general operation of the AJCC, including:

1. Rental of the facilities.
2. Utilities and maintenance.
3. Equipment (including assessment-related products and assistive technology for individuals with disabilities).

4. Technology to facilitate access to the AJCC, including technology used for the center’s planning and outreach activities.

REQUIRED ACTION
Each AJCC must submit a report that includes:

1. An itemized list of total infrastructure costs for the center.

2. The total square footage of the center.

3. The proportion of a partner program’s occupancy:
   a. The square footage dedicated to each partner (list partner by organization name).
   
   b. The square footage of common areas used by all partners.

4. The proportion of partner programs staff among all staff at the AJCC (using full time equivalencies [FTE]).

5. Current partner’s cash, non-cash, or in-kind contributions to cover infrastructure costs (non-cash or in-kind contributions cannot include non-infrastructure costs [such as personnel]).

6. Any third-party contributions that support the AJCC (such as donated space).

7. A valuation of any and all non-cash or in-kind contributions used toward infrastructure costs (valuation must be consistent with Uniform Guidance Section 200.306).

Reports must be submitted to:

The Economic and Workforce Development Department
Attn: Chris Rajapakse
1200 W. 7th Street, 6th Floor
Los Angeles CA 90017

DEADLINE FOR RESPONSE
The requested report must be hand delivered by 5:00 p.m., Wednesday, July 12, 2017.

EWDD CONTACT
For questions about this directive, please contact Chris Rajapakse at Chris.Rajapakse@lacity.org or (213) 744-7175, TYY (213) 744-9395.

GR:JHP:TJ