

CITY OF LOS ANGELES

CALIFORNIA

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**ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT**

444 S. FLOWER STREET
LOS ANGELES, CA 90071

DATE: January 30, 2025

TO: LA's Workforce Development System

FROM: Gerardo Ruvalcaba, Assistant General Manager
Workforce Development Division



**SUBJECT: WDS DIRECTIVE No. 25-05
INFRASTRUCTURE COST REPORTING AND DUE DATES**

EFFECTIVE DATE

This directive is effective upon date of issue.

PURPOSE

Workforce Development System (WDS) Directive No. 22-15 dated March 29, 2022 required the City of Los Angeles' (City) WDS to report all infrastructure costs and to calculate the proportionate share borne by all of the Workforce Innovation and Opportunity Act (WIOA) required partner programs.

This directive requires the same WDS including the YouthSource Centers (YSC) (specialized AJCC) to report on infrastructure costs which shall include calculations of the proportionate share to be borne by partner programs during the Program Year (PY) 2025-28. This directive also notifies the WDS of future due dates for infrastructure costs reconciliation.

BACKGROUND

In order to establish a high-quality America's Job Center of CaliforniaSM (AJCC) delivery system and enhance collaboration among partner programs, WIOA requires Local Boards to develop a Memorandum of Understanding (MOU) with all of AJCC required partners within their local area.

On January 20, 2016, the State of California's Employment Development Department (EDD) and the California Workforce Development Board (CWDB) issued a Workforce Services Directive (WSD) 15-12 regarding WIOA Phase I MOU. The WSD 15-12 was then followed by WSD 16-09, WIOA Phase II MOU and WSD 16-22, WIOA Phase II MOUs – Affiliate and Specialized AJCC to complete the guidance and establish procedures regarding WIOA MOU for comprehensive, affiliate, and specialized AJCC locations.

EDD Directive No. WSD 18–12 dated April 30, 2019, consolidates all three previous MOU directives and requires that Local Areas assure that the MOU be reviewed and updated every three years. The City has executed its most recent MOU for the effective period of July 1, 2022, through June 30, 2025 and has plans to update the MOU for the following three years effective July 1, 2025 to June 30, 2028. The WSD 18–12 also called for Local Boards to reconcile the defined infrastructure costs on a regular basis, and, if necessary, amendments to the Infrastructure Funding Agreements (IFA) and Other System Costs Budget.

DISCUSSION

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 Facilities:
2. Utilities and Maintenance
Equipment (including assessment-related products and assistive technology for individuals with disabilities); and
3. Technology to facilitate access to the AJCC, including technology used for the center's planning and outreach activities.

Reconciliation Schedule

As directed by the EDD Directive No. WSD 18–12, all AJCC partner contributions, regardless of the type, must be reconciled on a regular basis, comparing expenses incurred to relative benefits received. The City's WDS has elected to conduct semi-annual reconciliation.

REQUIRED ACTION

Each AJCC and YouthSource Center (specialized AJCC) must complete the attached spreadsheets (attachment A and B) and provide following information:

1. An itemized list of total infrastructure costs for the center;
2. The total square footage of the center and the proportionate square footage dedicated to the operation of AJCC and Specialized AJCC;
3. The proportion of a partner program's occupancy:
 - a. The square footage dedicated to each partner (list partner by organization name); and
 - b. The square footage of common areas used by all partners.
4. 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]);
5. Any third-party contributions that support the AJCC or Specialized AJCC (such as donated space); and

6. 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).

For the purposes of reconciliation, the attached spreadsheets are subject to submission by the 30th day following month of each reporting period during the term of the MOU. If the 30th day falls on a weekend, the spreadsheet will be due the following Monday. Below are due dates for reconciliation.

PROGRAM YEAR	REPORTING PERIOD	DUE DATE
2025–26	1 st (July – December)	Friday, January 30, 2026
	2 nd (January – June)	Thursday, July 30, 2026
2026–27	1 st (July – December)	Monday, February 1, 2027
	2 nd (January – June)	Friday, July 30, 2027
2027–28	1 st (July – December)	Monday, January 31, 2028
	2 nd (January – June)	Monday, July 31, 2028

DEADLINE FOR RESPONSE

The requested spreadsheets (attachment A and B) must be completed and submitted by **5:00pm, Friday, March 28, 2025**. The semi-annual reconciliation during the scheduled three years must be submitted by the stated due dates.

Please return Excel spreadsheets (attachment A and B) via email to Anthony Kim at Chang.Kim@lacity.org. Title your email **[Your Organization's name] – 2025-28 AJCC SYSTEM INFRASTRUCTURE REPORT**.

For questions regarding the transmission of this directive, please contact Anthony Kim at Chang.Kim@lacity.org or at (213) 744-7163 or TTY: 711 for TRS.

CMH:GR:DB:AK:cg

Attachments: A. System Infrastructure Budget PY 2025-28
B. City of Los Angeles AJCC Occupancy