



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE  
OPERATIONS CLUSTER**

SACHI A. HAMAI  
Chief Executive Officer

**DATE:** September 7, 2017  
**TIME:** 1:00 p.m.  
**LOCATION:** Kenneth Hahn Hall of Administration, Room 830

**AGENDA**

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting.  
Three (3) minutes are allowed for each item.

1. Call to order – Dorinne Jordan/Gevork Simdjian
  - A) **Board Letter – AUTHORIZATION FOR THE DEPARTMENT OF CONSUMER AND BUSINESS AFFAIRS TO ACCEPT A GRANT AWARD FROM CITIBANK AND ENTER INTO A PARTNERSHIP WITH CITIBANK COMMUNITY DEVELOPMENT TO PARTICIPATE IN LOS ANGELES COUNTY CONTRACTING CENTERS PILOT PROGRAM**  
DCBA – Brian Stiger or designee
  - B) **Board Letter – RECOMMENDATION TO APPROVE MASTER AGREEMENT FOR LONG-TERM DISABILITY AND SURVIVOR BENEFIT PLAN HEARING OFFICER SERVICES**  
DHR – Darolyn Jensen
  - C) **Presentation – TIME TO HIRE IMPROVEMENT PLAN AND SUCCESSES**  
DHR – Ann Havens and Johan Julin
2. Public Comment
3. Adjournment

August 28, 2017

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 W. Temple St.  
Los Angeles, CA 90012

Dear Supervisors:

**AUTHORIZATION FOR THE DEPARTMENT OF CONSUMER AND BUSINESS AFFAIRS TO ACCEPT A GRANT AWARD FROM CITI COMMUNITY DEVELOPMENT AND ENTER INTO A PARTNERSHIP WITH CITI COMMUNITY DEVELOPMENT TO PARTICIPATE IN LOS ANGELES COUNTY CONTRACTING CENTERS PILOT PROGRAM**

(All Supervisorial Districts) (3 Votes)

**SUBJECT**

The Department of Consumer and Business Affairs (DCBA) requests your Board's approval to accept a grant award from Citi Community Development, and enter into partnership agreements with Citigroup, Inc., the Los Angeles Latino Chamber of Commerce (LALCC), and Pacific Coast Regional (PCR) to launch the "Los Angeles County Contracting Centers" pilot project.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Delegate authority to the Director of DCBA (Director), or his designee, to accept a grant award in the amount of \$140,000 from Citi Community Development for the grant period from September 1, 2017, to September 19, 2019, and execute and submit all documents necessary for DCBA to receive the grant funds.
2. Delegate authority to the Director, or his designee, to apply for and submit a grant application to Citi Community Development for future opportunities pertaining to the Los Angeles County Contracting Centers and to execute all required grant application documents including assurances and certifications when and if such future funding becomes available.
3. Approve and authorize the Director to sign the enclosed agreements with Citigroup Inc., the Los Angeles Latino Chamber of Commerce, and Pacific Coast Regional Small Business Development Center to allow for a partnership with LALCC and PCR to provide business technical assistance to small businesses in targeted low

to moderate income areas and guide these businesses through the County's certification process.

4. Delegate authority to the Director, or his designee, to negotiate and execute amendments to the agreements described in paragraph 3, to make technical changes and extend the agreement terms as may be needed to implement and sustain efficacy of the programs, upon approval as to form by County Counsel, with the requirement that DCBA report to your Board and CEO within 30 days of execution.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On May 24, 2016, your Board adopted a motion instructing DCBA to implement the Small Business Utilization Plan (SBU) to increase County contracting awards to Local Small Business Enterprises (LSBE). The motion called for DCBA to identify and address barriers for small business owners (SBO) to certification and contracting with the County of Los Angeles. Additionally, DCBA would take actions to increase the number of certified LSBEs to meet the goals called for in the SBU. As part of the effort to increase LSBE participation, DCBA has partnered with Citibank, LALCC, PCR, Opportunity Fund, and Clearpoint Credit Solutions to participate in a two-year pilot. The recommended action meets your Board's directive to increase County contracting with LSBEs and increase the number of certified LSBEs.

Further, the motion calls for DCBA to market the changes to the certifications to increase awareness of the incentives that County preference programs offer to local small businesses. By forming a partnership with Citibank, LALCC, PCR, and Opportunity Fund, County preference programs will receive high profile marketing in the community.

This initiative will pilot a program providing direct business technical assistance to small businesses in targeted low to moderate income areas to prepare those businesses to contract with the County. The program will create an innovative public-private partnership, allowing other community entities to market the County's preference programs and grow local small business participation by guiding them through the certification process. Citibank will provide \$140,000 in grant funding to provide support for the Contracting Centers pilot program.

Under the direction of DCBA, the pilot program will allow LALCC and PCR to provide guidance and technical assistance to LSBEs and Disabled Veteran Business Enterprises (DVBE). With these added resources, businesses will be able to receive certification services at partner locations. This will correspond with the Board-approved goal of increasing the pool of certified LSBE vendors for the Utilization Plan.

In developing this proposal, DCBA met with a diverse group of recognized organizations representing financial institutions and non-profits focused on business development. The workgroup developed a strategy to provide certification services while focusing on specific, targeted populations to evaluate the effectiveness of the pilot.

## **Implementation of Strategic Plan Goals**

This request supports the County strategic plan as follows:

### **Goal 1 - Make Investments that Transform Lives:**

By investing in this program, Los Angeles County can provide businesses a place to receive the technical assistance they need to become certified with the County and obtain the financial assistance they require to bid on contracts. Contracting with the County can transform a small business and the community it serves.

### **Goal 2 – Foster Vibrant and Resilient Communities:**

The target audience for this program includes low to moderate income communities in and around the Contracting Centers. The partnership will enlist local partners to bring technical assistance to these areas and to address some of the small business needs. Vibrant and resilient communities are promoted through this effort to support local economic growth and development.

### **Goal 3 – Realize Tomorrow’s Government Today:**

This innovative pilot is the first Countywide initiative partnering a private entity (Citi Community Development) and Los Angeles County to support small businesses with measurable outcomes. a partnership to support small businesses through local contracting has never been accomplished on this level. To realize tomorrow’s government today, Los Angeles County must find new ways to reach underserved communities and deliver government services within those communities. This project will help accomplish those goals.

## **FISCAL IMPACT/FINANCING**

The cost of the Los Angeles County Contracting Centers two-year pilot is \$390,000.00 (\$195,000.00 each year) and will be financed with the \$140,000.00 grant from Citibank and DCBA in-kind match funding at \$250,000.00.

Participation in the County Contracting Centers project will not result in any new significant costs to the County. The funds will be used during the FY 2017-18 and FY 2018-19. The consultant/staff costs and part of the marketing costs will be offset by grant revenue, and will be added to the Department of Consumer and Business Affairs budget during FY 2017-18 Supplemental Changes.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The approval of this recommendation will not reduce services currently provided by DCBA. Approval of this request would help bring a much needed certification program to targeted communities.

As the Program Coordinator, DCBA would:

- Proactively promote the program with local businesses and organizations and encourage businesses to seek assistance in certifying as a Local Small Business Enterprise
- Serve as the central point of contact for partner organizations
- Share small business certification partnership information along with other preference program information on our DCBA website
- Plan and conduct marketing and outreach events in conjunction with partner organizations
- Provide assistance to partner organizations through training
- Share information regarding data collected through the Contracting Centers program

Legal considerations:

- Certifications performed by partner organizations will be subject to the same standards of review as certifications performed by Los Angeles County Department of Consumer and Business Affairs.

## **CONCLUSION**

Upon Board approval, please return one adopted copy of this letter to the Department of Consumer and Business Affairs.

Respectfully submitted,

BRIAN J. STIGER  
Director

# Los Angeles County Chief Administrative Office

## Grant Management Statement for Grants \$100,000 or More

**Department:** Department of Consumer and Business Affairs

### Grant Project Title and Description

**Title:** Los Angeles County Contracting Centers

**Goal:** Increase the Local Small Business Enterprise (LSBE) vendor list and increase County contracting with LSBEs and DVBEs.

In direct response to a Board priority, Citi and the Department of Consumer and Business Affairs (DCBA) will create the first-ever County Contracting Centers in providing a physical place where small businesses can get free technical assistance, access to capital and County certification. DCBA will train Latino Chamber of Commerce and Pacific Coast Regional to certify small businesses for the LSBE and DVBE preference programs. The County Contracting Centers will train small business owners (SBO) on the process for getting certified while simultaneously helping the small business owners with their business health overall. The end goal will be to market the program to 40,000 small business owners, certify an additional 260 small business owners by the end of a two year period, and help 50 small business owners obtain a County contracts by the end of the two year period.

This initiative will pilot a program providing direct technical assistance to small businesses in targeted low to moderate income areas to prepare those businesses to contract with the County. By offering guidance and certification preparation services, the Los Angeles Latino Chamber of Commerce and Pacific Coast Regional Small Business Development Centers will create an innovative public-private partnership. This partnership allows for other community based entities to market County programs and certify local small business entities.

#### *Projected Impact & Success Metrics*

- Market program to 40,000 small business owners
- Certify an 260 small business owners by the end of two year period (20% increase)
- Assist 50 small businesses obtain County contracts by the end of two year period totaling \$6.25 MM
- Assist 50 small business owners in repairing their credit
- Assist 100 small businesses with access to capital – micro-lending goal totaling \$2.5 MM

<b>Funding Agency</b>	<b>Program (Fed. Grant #/State Bill or Code #)</b>	<b>Grant Acceptance Deadline</b>
Citibank Community Development	N/A	September 30, 2017
<b>Total Amount of Grant Funding:\$140,000.00</b>		<b>County Match: \$250,000.00</b>
<b>Grant Period:</b> September 1, 2017 – September 1, 2019	<b>Begin Date:</b> September 1, 2017	<b>End Date:</b> September 1, 2019
<b>Number of Personnel Hired Under This Grant:</b>	<b>Full Time:</b>	<b>Part Time:</b>

**Obligations Imposed on the County When the Grant Expires**

Will all personnel hired for this program be informed this is a grant-funded program?	Yes <u>X</u>	No <u>    </u>
Will all personnel hired for this program be placed on temporary ("N") items?	Yes <u>X</u>	No <u>    </u>
Is the County obligated to continue this program after the grant expires?	Yes <u>    </u>	No <u>X</u>
If the County is not obligated to continue this program after the grant expires, the Department will: Once the program is complete, DCBA will gather and analyze the data accumulated during the pilot. DCBA will measure that data against the predetermined goals of the pilot to determine success. DCBA will also examine the program to determine whether the County should continue the partnership.		
a.) Absorb the program cost without reducing other services	Yes <u>X</u>	No <u>    </u>
b.) Identify other revenue sources (describe below)		
	Yes <u>    </u>	No <u>X</u>
c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes <u>X</u>	No <u>    </u>

**Impact of additional personnel on existing space:**

If temporary staff is hired, they will be housed at the Small Business Services office located at 133 N. Sunol Dr., Los Angeles, CA 90063.

**Other requirements not mentioned above:**

DCBA would:

- Proactively promote the program with local businesses and organizations and encourage businesses in targeted local communities to seek assistance in certifying as a Local Small Business Enterprise.
- Serve as a central point of contact for partner organizations.
- Share small business certification partnership information along with other preference program information on our DCBA website.
- Plan and conduct marketing and outreach campaigns in conjunction with partner organizations.
- Provide assistance to partner organizations through training

Department Head Signature \_\_\_\_\_

Date: \_\_\_\_\_

## **PARTNERSHIP AGREEMENT**

The Los Angeles Latino Chamber of Commerce (LALCC) and the County of Los Angeles (County), by and through its Department of Consumer & Business Affairs (DCBA), each individually a "Party" and collectively, the "Parties," enter in to this Partnership Agreement (Agreement) to coordinate operation of the Los Angeles County Contracting Centers program.

### **PURPOSE**

This initiative will pilot a program providing direct business technical assistance to small businesses in targeted low to middle income areas to prepare those businesses to do business with the County. By offering certification services at the LALCC, the program will create an innovative public-private partnership, allowing other community entities, besides Los Angeles County, to market the County's preference programs and guide local small businesses through the Local Small Business Enterprise (LSBE) certification process.

Experienced DCBA staff will train and provide oversight to LALCC staff members to help local small business owners navigate the LSBE certification process. At the conclusion of the pilot program, results will be measured and data will be analyzed to determine the success of the program.

The pilot program will allow LALCC to certify businesses at the direction of DCBA. With the added resources, businesses will receive certification services at partner locations.

### **A. TERM**

1. This Agreement is effective upon execution by the Parties for a two (2) year period.
2. Either Party may terminate this Agreement at any time and for any reason upon sixty (60) days advance written notice to the other party's designated contact set forth in this Agreement.

### **B. AMENDMENTS TO THIS AGREEMENT**

1. Any proposed changes to this Agreement shall be made to the designated contact set forth in this Agreement thirty (30) days in advance for consideration prior to implementation.
2. No amendment, modification, alteration, or variation of the terms of this Agreement shall be valid unless made in writing and signed by authorized representatives for the parties, and no oral understanding or agreement not incorporated herein shall be binding on the Parties.

### **C. ROLE and RESPONSIBILITIES OF LALCC**

The Los Angeles Latino Chamber of Commerce (LALCC) is a nonprofit, 501(c)(3) organization and a 501(c)(6) trade group corporation as designated by the IRS in October 2008. The purpose of LALCC is to organize and unify Latino business owners to advocate for small- and medium-sized businesses on a regional, statewide, and national basis, provide valuable and permanent member services for the improvement and success of their businesses, generate increased levels of business from outside the Latino community, provide overall leadership on relevant business issues as well as community economic development issues, and generate increased levels of business between members.

#### LALCC agrees to:

1. Provide technical assistance to businesses to guide them through the Los Angeles County Local Small Business Enterprise certification process.
2. Provide staff members to counsel businesses and provide information regarding Los Angeles County contracting.
3. Submit designated agreed upon datasets and analysis on businesses and business owners to DCBA on a quarterly basis.
4. To consult with DCBA and obtain DCBA approval before utilizing Los Angeles County logos and marketing materials.
5. Assume the primary role of administration, intake and scheduling procedures for those businesses who wish to utilize Contracting Center services at LALCC

### **D. ROLE and RESPONSIBILITIES OF DCBA**

The County of Los Angeles Department of Consumer and Business Affairs (DCBA) is the agency that provides certifications to local small businesses for the Los Angeles County contracting preference programs. The agency serves businesses and communities through education, advocacy, and oversight of all Los Angeles County contracting preference programs. DCBA agency works to promote economic development through local businesses by providing certifications to local small businesses, disabled veterans owned businesses, and social enterprises to increase their chances of obtaining County contracts through all departments.

#### DCBA agrees to:

1. Provide at least one (1) counselor to train LALCC staff at regular intervals regarding guidance to businesses navigating the LSBE certification process.

2. Provide training when necessary to ensure that LALCC staff members and counselors are up to date on current certification procedures and contracting information.
3. Provide oversight to LALCC staff to ensure that proper certification procedures are followed.
4. To consult with LALCC and obtain LALCC approval before utilizing LALCC logos and marketing materials.
5. Collect data from partner organizations participating in the Contracting Center program and providing said data to LALCC.

#### **E. INDEMNIFICATION**

LALCC shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with LALCC's, its Contractors', and Subcontractors' acts and/or omissions arising from and/or relating to this Agreement.

#### **F. ENTIRE AGREEMENT**

This Agreement and any exhibits and documents incorporated herein and made applicable by reference, represent the full and entire Agreement between the Parties concerning the operation of the Los Angeles County Contracting Centers program, and supersedes any and all prior agreements, representations, understandings or communications, whether written or oral, that may have existed.

#### **G. WAIVER**

Any waiver by any Party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon any Party unless agreed in writing by each Party and their respective attorneys.

#### **H. SEVERABILITY**

If any terms or provisions of this Agreement or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term and provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and every other term and provision of this Agreement shall be valid and enforced to the maximum extent permitted by law.

**I. NOTICES**

All notices and other communications under this Agreement shall be made in writing and shall be delivered by hand or sent by fax, electronic mail, or sent by prepaid express mail or reputable overnight courier service to the Parties at the following addresses:

<b><i>LALCC Contact</i></b>	<b><i>DCBA Contact</i></b>
<b>Name:</b>	<b>Name: Joel Ayala</b>
<b>Title:</b>	<b>Title: Chief Deputy</b>
<b>Phone:</b>	<b>Phone: (213) 974-4615</b>
<b>Address:</b>	<b>Address: 500 W. Temple St. Room B-96, Los Angeles CA 90012</b>
<b>Fax:</b>	<b>Fax: (213) 687-4826</b>
<b>Email:</b>	<b>Email: JAyala@dcba.lacounty.gov</b>

**LALCC**

**DCBA**

\_\_\_\_\_  
Dated Brian Stiger, Director [DATE]

\_\_\_\_\_  
Contract Manager

APPROVED AS TO FORM:  
MARY C. WICKHAM  
County Counsel

By \_\_\_\_\_  
Deputy County Counsel

DRAFT

## **PARTNERSHIP AGREEMENT**

The Pacific Coast Regional Small Business Development Corporation (PCR) and the County of Los Angeles (County), by and through its Department of Consumer & Business Affairs (DCBA), each individually a "Party" and collectively, the "Parties," enter in to this Partnership Agreement (Agreement) to coordinate operation of the Los Angeles County Contracting Centers program.

### **PURPOSE**

This initiative will pilot a program providing direct business technical assistance to small businesses in targeted low to middle income areas to prepare those businesses to do business with the County. By offering certification services at the PCR, the program will create an innovative public-private partnership, allowing other community entities, besides Los Angeles County, to market the County's preference programs and guide local small businesses through the Local Small Business Enterprise (LSBE) certification process.

Experienced DCBA staff will train and provide oversight to PCR staff members to help local small business owners navigate the LSBE certification. At the conclusion of the pilot program, results will be measured and data will be analyzed to determine the success of the program.

The pilot program will allow PCR to certify businesses at the direction of DCBA. With the added resources, businesses will be able to receive certification services at partner locations.

### **A. TERM**

1. This Agreement is effective upon execution by the Parties for a two (2) year period.
2. Either Party may terminate this Agreement at any time and for any reason upon sixty (60) days advance written notice to the other party's designated contact set forth in this Agreement.

### **B. AMENDMENTS TO THIS AGREEMENT**

1. Any proposed changes to this Agreement shall be made to the designated contact set forth in this Agreement thirty (30) days in advance for consideration prior to implementation.
2. No amendment, modification, alteration, or variation of the terms of this Agreement shall be valid unless made in writing and signed by authorized

representatives for the parties, and no oral understanding or agreement not incorporated herein shall be binding on the Parties.

### **C. ROLE and RESPONSIBILITIES OF PCR**

Pacific Coast Regional (PCR) is a private, non-profit corporation founded in 1977 to assist small business owners in becoming successful members of the Southern California business community. Through contracts with the Federal Government, the State of California, and partnerships with private institutions, PCR provides financial, educational and consulting services. In addition, PCR has been certified by the U.S. Treasury as a Community Development Financial Institution (CDFI). Their primary goal is to help the small business owner succeed.

#### PCR agrees to:

1. Provide technical assistance to businesses to guide them through the Los Angeles County Local Small Business Enterprise certification process.
2. Provide staff members to counsel businesses and provide information regarding Los Angeles County contracting.
3. Submit designated agreed upon datasets and analysis on businesses and business owners to DCBA on a quarterly basis.
4. To consult with DCBA and obtain DCBA approval before utilizing Los Angeles County logos and marketing materials.
5. Assume the primary role of administration, intake and scheduling procedures for those businesses who wish to utilize Contracting Center services at PCR.

### **D. ROLE and RESPONSIBILITIES OF DCBA**

The County of Los Angeles Department of Consumer and Business Affairs (DCBA) is the agency that provides certifications to local small businesses for the Los Angeles County contracting preference programs. The agency serves businesses, and communities through education, advocacy, and oversight of all Los Angeles County contracting preference programs. The agency works to promote economic development through local businesses by providing certifications to local small businesses, disabled veterans owned businesses, and social enterprises to increase their chances of obtaining County contracts through all departments.

#### DCBA agrees to:

1. Provide at least one (1) counselor to train PCR staff at regular intervals regarding guidance to businesses navigating the LSBE certification process.

2. Provide training when necessary to ensure that PCR staff members and counselors are up to date on current certification procedures and contracting information.
3. Provide oversight to PCR staff to ensure that proper certification procedures are followed.
4. To consult with PCR and obtain PCR approval before utilizing PCR logos and marketing materials.
5. Collect data from partner organizations participating in the Contracting Center program and providing said data to PCR

#### **E. INDEMNIFICATION**

PCR shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with PCR's, its Contractors', and Subcontractors' acts and/or omissions arising from and/or relating to this Agreement..

#### **F. ENTIRE AGREEMENT**

This Agreement and any exhibits and documents incorporated herein and made applicable by reference, represent the full and entire Agreement between the Parties concerning the operation of the Los Angeles County Contracting Centers program, and supersedes any and all prior agreements, representations, understandings or communications, whether written or oral, that may have existed.

#### **G. WAIVER**

Any waiver by any Party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon any Party unless agreed in writing by each Party and their respective attorneys.

#### **H. SEVERABILITY**

If any terms or provisions of this Agreement or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term and provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and every other term and provision of this Agreement shall be valid and enforced to the maximum extent permitted by law.

**I. NOTICES**

All notices and other communications under this Agreement shall be made in writing and shall be delivered by hand or sent by fax, electronic mail, or sent by prepaid express mail or reputable overnight courier service to the Parties at the following addresses:

<b><u>PCR Contact</u></b>	<b><u>DCBA Contact</u></b>
<b>Name:</b>	<b>Name: Joel Ayala</b>
<b>Title:</b>	<b>Title: Chief Deputy</b>
<b>Phone:</b>	<b>Phone: (213) 974-4615</b>
<b>Address:</b>	<b>Address: 500 W. Temple St. Room B-96, Los Angeles CA 90012</b>
<b>Fax:</b>	<b>Fax: (213) 687-4826</b>
<b>Email:</b>	<b>Email: JAyala@dcba.lacounty.gov</b>

**PCR**

**DCBA**

\_\_\_\_\_  
Dated Brian Stiger, Director [DATE]

\_\_\_\_\_  
Contract Manager

APPROVED AS TO FORM:  
MARY C. WICKHAM  
County Counsel

By \_\_\_\_\_  
Deputy County Counsel

DRAFT



# COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES

HEADQUARTERS  
579 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-2406 FAX (213) 621-0387

BRANCH OFFICE  
3333 WILSHIRE BOULEVARD • LOS ANGELES, CALIFORNIA 90010  
(213) 738-2211 FAX (213) 637-0820

**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

September 26, 2017

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**RECOMMENDATION TO APPROVE MASTER AGREEMENT FOR LONG-TERM  
DISABILITY AND SURVIVOR BENEFIT PLAN HEARING OFFICER SERVICES  
(ALL DISTRICTS - 3 VOTES)**

**SUBJECT**

The Department of Human Resources (DHR) requires the part-time and intermittent services of independent contractors to provide hearing officer services related to the appeals of the denial or cancellation of benefits under the County's Long-Term Disability and Survivor Benefit Plan.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and authorize the Director of Personnel to execute Master Agreements for Hearing Officer Services with qualified contractors, in a format substantially similar to the sample Master Agreement provided in Attachment I, which has been approved as to form by County Counsel, effective the later of November 1, 2017 or execution of the first Master Agreement for a term of five (5) years, with two (2) additional one-year renewal options.
2. Delegate authority to the Director of Personnel or her/his designee to enter into and execute Master Agreements for Hearing Officer Services throughout the Master Agreement term with contractors who meet the minimum requirements and qualifications as outlined in the Request for Statement of Qualifications (RFSQ) issued by the DHR, and to authorize the optional extension periods for the Master Agreement term.

3. Delegate authority to the Director of Personnel or her/his designee to approve and execute amendments to the Master Agreement for Hearing Officer Services, as long as the amendments are consistent with your original Board-approved intent of the Master Agreement, modifications to processes and procedures used in the performance and delivery of the contract services, are in conformance with any mandatory or otherwise Board-ordered contract provisions, and the amendments have been approved as to form by County Counsel.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this recommendation is to provide hearing officer services for appeals filed by claimants concerning the denial or cancellation of benefits under the County's Long-Term Disability and Survivor Benefit Plan (Plan). The County's third-party administrator (TPA) for the Plan receives and processes claims for long-term disability and survivor benefits, accepts and makes determinations on written appeals of any claim denials, and receives claimant requests for hearings on denied appeals. The TPA transmits claimants' written requests for hearings to the County; and an independent hearing officer is provided by the County utilizing this Master Agreement for the appeal hearing.

Under the current Master Agreement for Hearing Officer Services which expires October 31, 2017, a panel of three (3) contractors provide these part-time and intermittent hearing officer services. When the current Master Agreement was executed pursuant to a Request for Statement of Qualifications (RFSQ) issued by the Chief Executive Office (CEO) in July 2010, the CEO was responsible for administration of the Plan. Pursuant to the March 29, 2016 Board-approved realignment of County functions, responsibility for administration of the Plan was transferred from CEO to DHR. In August 2017, DHR issued an open RFSQ to provide a Master Agreement for these hearing officer services effective the later of November 1, 2017 or execution of the first Master Agreement.

Approval of the Master Agreement will enable the County to continue to maintain an adequate number of qualified, impartial hearing officers to resolve appeals to long-term disability and survivor benefit claim denials. Board-approval of the requested actions will provide the Director of Personnel with delegated authority to execute Master Agreements with qualified contractors (Hearing Officers) upon their demonstrated qualification in the open solicitation. This solicitation will remain open until such time as a determination is made by the Director of Personnel that a sufficiently sized panel is available to provide these services for the term of the Master Agreement. At such time, an addendum will be issued to close the solicitation, providing a final due date for interested vendors to submit a Statement of Qualifications under the solicitation.

### Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Realize Tomorrow's Government Today (Goal III). This action is consistent with the Strategic Plan Strategy III.3, and supports the goal of pursuing operational effectiveness, fiscal responsibility and accountability.

### **FISCAL IMPACT/FINANCING**

The Master Agreement does not guarantee a minimum amount of business and the Department will only accrue an obligation when work is performed. Services are used on an as-needed basis. Costs for these master agreement services vary each year based on the number of denied claims that result in requests for appeal hearings; costs are not expected to exceed \$100,000 per fiscal year. Costs for these services are fully offset by billings to County departments through the CEO's Risk Management Long-Term Disability budget; funding is included in the FY 2017-18 Recommended Budget. Funding for subsequent years will be included in each fiscal year's budget.

Contractors are compensated for services with hourly fees of \$100 per hour, with a maximum amount of \$2,400 per case. These rates for hearing officer services may be reduced as described in the Master Agreement if the hearing officer's written decision is not submitted within timeframes defined in the Master Agreement.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The County of Los Angeles Long-Term Disability Plan adopted by the Board of Supervisors on July 1981, is contained in Los Angeles County Code Sections 5.27, 5.28 and 5.38. County Code Section 5.27.470(F), 5.28.470(F), and 5.38.030(F) provide claimants with a mandated appeal process for denied claims under the County's Long-Term Disability and Survivor Benefit Plan. Services provided under this Master Agreement are in compliance with the requirements of these County Code sections.

The attached Sample Master Agreement has been approved as to form by County Counsel and includes all of the required terms and conditions, including requirements regarding contractor non-responsibility and debarment. All Contractors will be required to comply with all Board and CEO requirements, including Jury Service, Safely Surrendering Baby Law, and Defaulted Property Tax Reduction Program.

As provided under County Code Section 2.121.250(b)4, this Master Agreement is exempt from Proposition A requirements as the contracted services are needed on a part-time and intermittent basis. Since these services are exempt from Proposition A, the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended Master Agreement.

### **CONTRACTING PROCESS**

On August 18, 2017, DHR issued an RFSQ for hearing officer services. The RFSQ was posted on the County's Contracting website. The RFSQ is posted as an open, continuous solicitation with priority review being given to any Statements of Qualifications received by September 19, 2017; the solicitation will remain open during the term of the Master Agreement or until a determination is made by the Director of Personnel that a panel of investigators that meets the needs of the County has been established. Upon your Board's approval, the Director of Personnel will execute Master Agreements during the time the solicitation remains open with all vendors who meet the minimum qualifications and are determined to be qualified.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no impact on current Department operations and services. Approval of the Master Agreement will allow the continued availability of hearing officer services to conduct hearings concerning the denial or cancellation of benefits under the County's Long-Term Disability and Survivor Benefit Plan.

### **CONCLUSION**

Upon approval by the Board, please return three (3) adopted copies of this Board letter to the Department of Human Resources. It is requested that the Executive Officer notify Darolyn Jensen, Administrative Deputy at (213) 974-2515 when the documents are available.

Respectfully submitted,

LISA M. GARRETT  
Director of Personnel

LMG:EP:MM  
BK:DR:tdb

Attachment

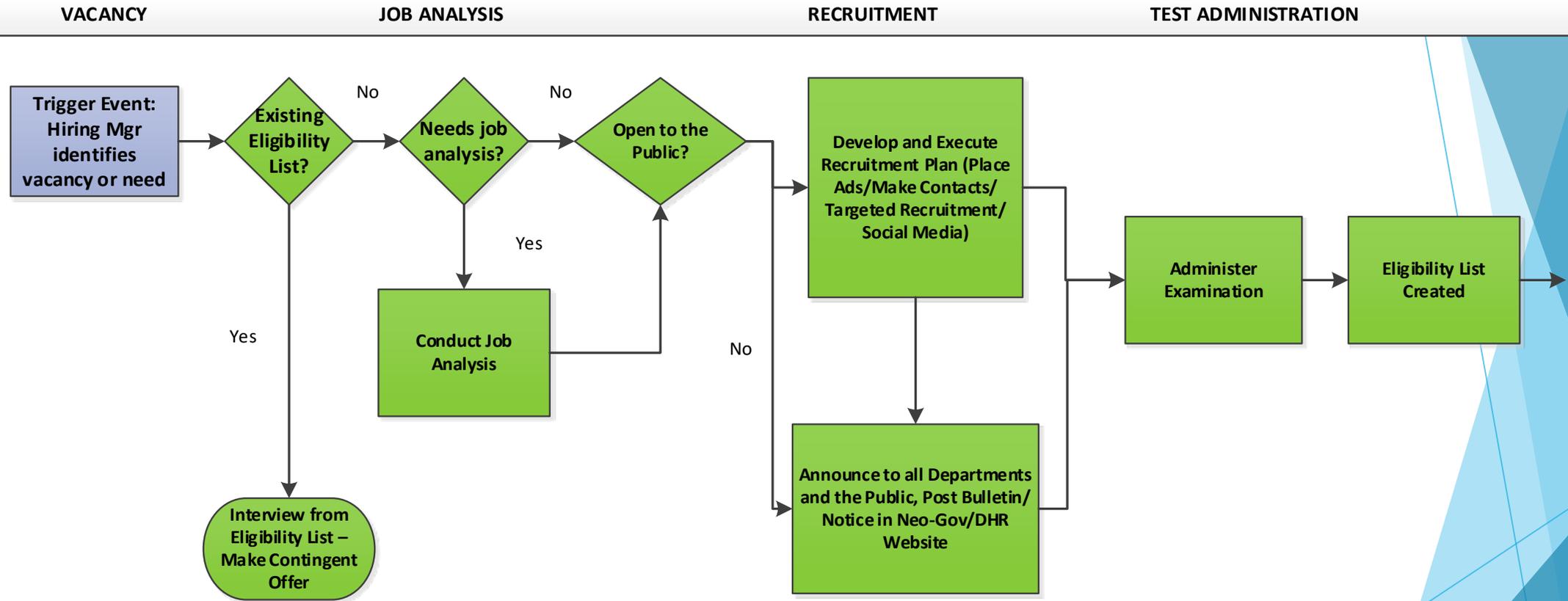
c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors



# County Hiring Process

# Hiring Process

## Recruitment and Examination Process

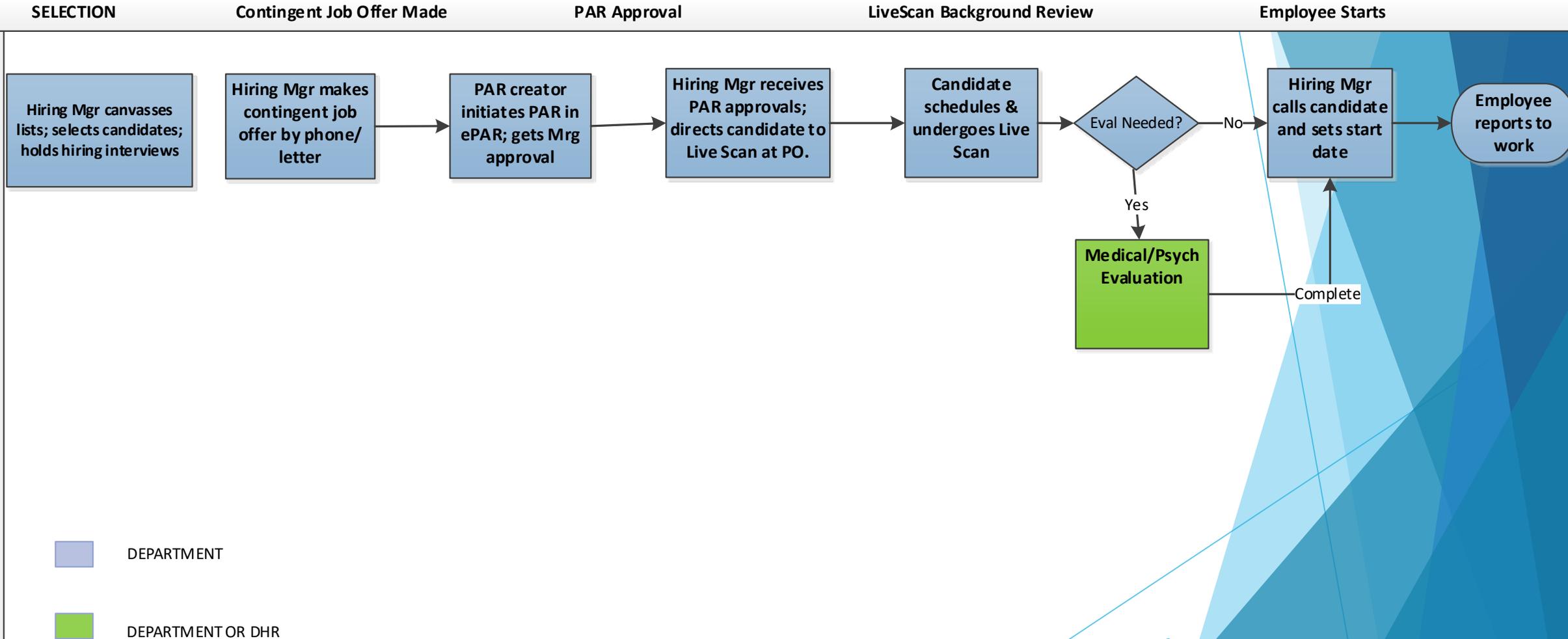


DEPARTMENT

DEPARTMENT OR DHR

# Hiring Process (cont.)

## Selection and Onboarding Process



# Reviewing The Recruitment & Exam Process

# Reviewing the Process

- ▶ Previous Audits/Reviews Focus on Recruitment/Exams
  - ▶ 2010: HR Report - BOS/CEO
  - ▶ 2010: E/E Report - A Review and Analysis of LA County HR and Civil Service Commission Processes
  - ▶ 2012: E/E Status Report - Implementations of Recommendations from 2010 Report
  - ▶ 2014 - E/E Review Of LA County's Processes for Transitioning to E-Government Applications
  - ▶ 2014 - DHR Six Sigma Study to Identify Primary Barriers to Speed
  - ▶ 2017 - E/E Report- A Review and Analysis of LA County's Civil Service Hiring Process
  - ▶ 2017 - DHR Strategic Plan - Surveys and Interviews With Departments/Stakeholders
  - ▶ 2017 - Review of IT Recruitment and Selection (CPS)

# Exam Roadblocks and Initiatives

Exam Roadblocks	Initiative to Speed Up the Process
Number of Applications	<ul style="list-style-type: none"><li>• Large Testing Facility</li><li>• Transfer/Banking of Scores</li><li>• Un-proctored Testing</li><li>• Cap on Applications</li></ul>
Application Review	<ul style="list-style-type: none"><li>• Calibration Panels</li><li>• On-Line Application Vetting</li></ul>
Number of Exam Parts	<ul style="list-style-type: none"><li>• Broad-based Testing</li><li>• Combining Administration of Test Parts</li></ul>
Analyst Workload	<ul style="list-style-type: none"><li>• Review of Application Materials Later in the Process</li><li>• E-mail Contact w/Candidates</li><li>• Fewer Job Analysis - Broaden to Cover More Classifications</li></ul>
Interviews	<ul style="list-style-type: none"><li>• Video Interviews</li><li>• Telephone Interviews</li><li>• Technical On-Line Testing</li></ul>
AP	<ul style="list-style-type: none"><li>• Eliminated AP for All DHR - Master Calendar Exams</li><li>• Promoting Use of Alternative Assessments w/Departments</li></ul>
List Management	<ul style="list-style-type: none"><li>• Manager Access to View Eligible Lists</li><li>• Manager Access to Applications/Resumes in Real Time</li><li>• Access to Multiple Contact Methods</li><li>• Conditional Offer Code Affects Lists in Real Time</li></ul>

# On-Going Review: R/S of IT Talent Initial Findings

Finding	Recommendation
Job titles are not descriptive and postings are not candidate friendly	<ul style="list-style-type: none"><li>• Use more current IT nomenclature (e.g., use “software engineer” vs. “application developer”)</li><li>• Modernize class specifications</li><li>• Develop more attractive recruiting materials with graphics and timelines</li></ul>
Passive & inefficient website recruitment	<ul style="list-style-type: none"><li>• Create an “IT Landing Page” to learn more about IT jobs &amp; specific opportunities</li><li>• Use social media sites</li><li>• Host virtual job fairs/conferences</li></ul>
Disjointed recruitment effort	<ul style="list-style-type: none"><li>• Create a dedicated cross-functional IT recruiting unit</li><li>• Accountable to DCIO Community</li></ul>
Accuracy of assessment	<ul style="list-style-type: none"><li>• Eliminate use of AP</li><li>• Eliminate/reduce use of interview for technical skills</li><li>• Expand use of objective tests</li></ul>
Outdated job information	<ul style="list-style-type: none"><li>• Conduct comprehensive classification and compensation studies on IT job titles</li></ul>
Lack of retention throughout process	<ul style="list-style-type: none"><li>• Communicate recruitment-exam-hiring process and timing to candidates</li></ul>

# Going Forward: Beyond Recruitment & Exams

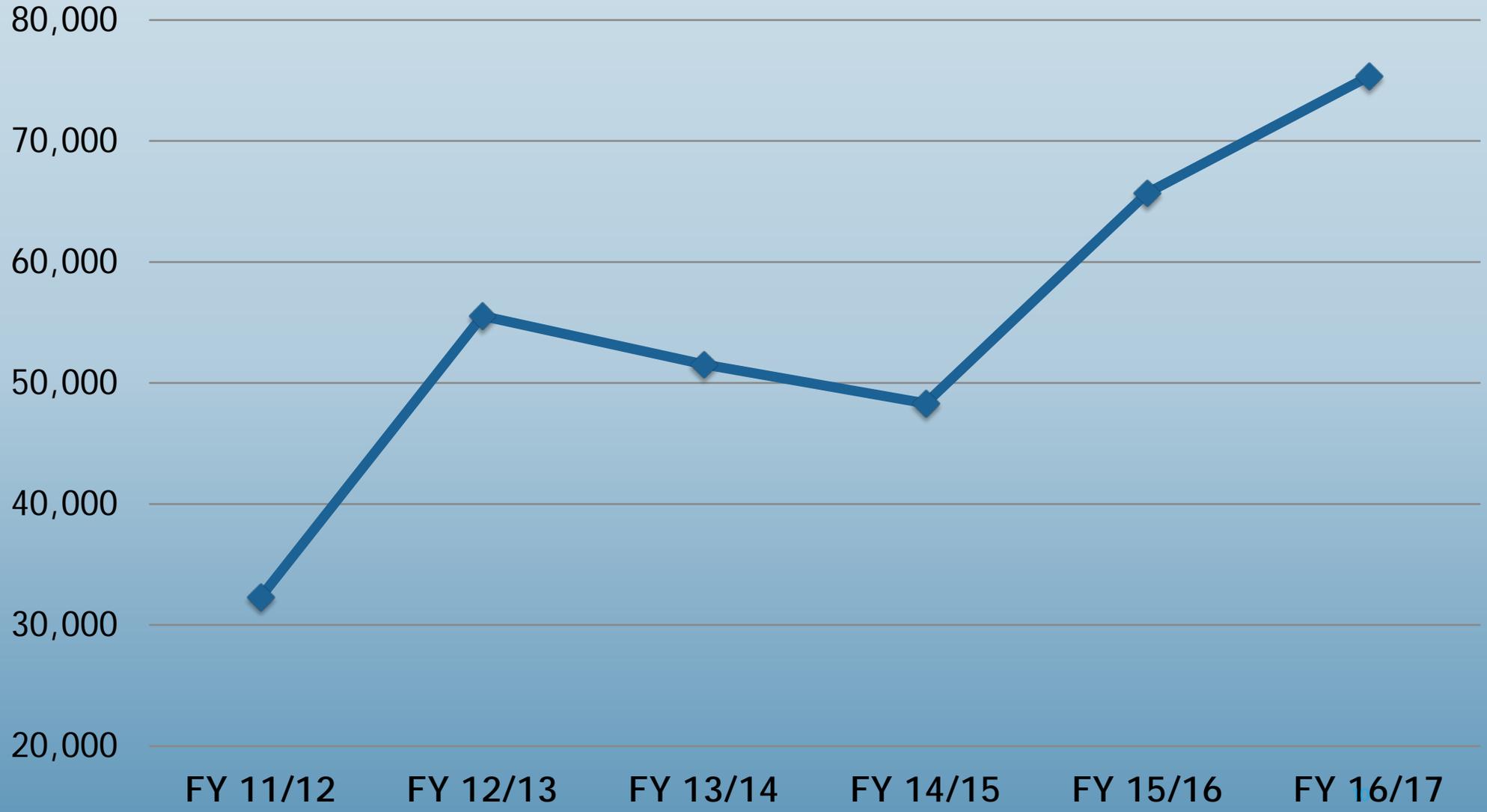
- ▶ Trigger Event - Vacancy - Forecasting
- ▶ List Management
- ▶ Selection - Hiring Interviews/Job Offers
- ▶ PAR Process
- ▶ Live Scan - Background
- ▶ On-Boarding/Orientation



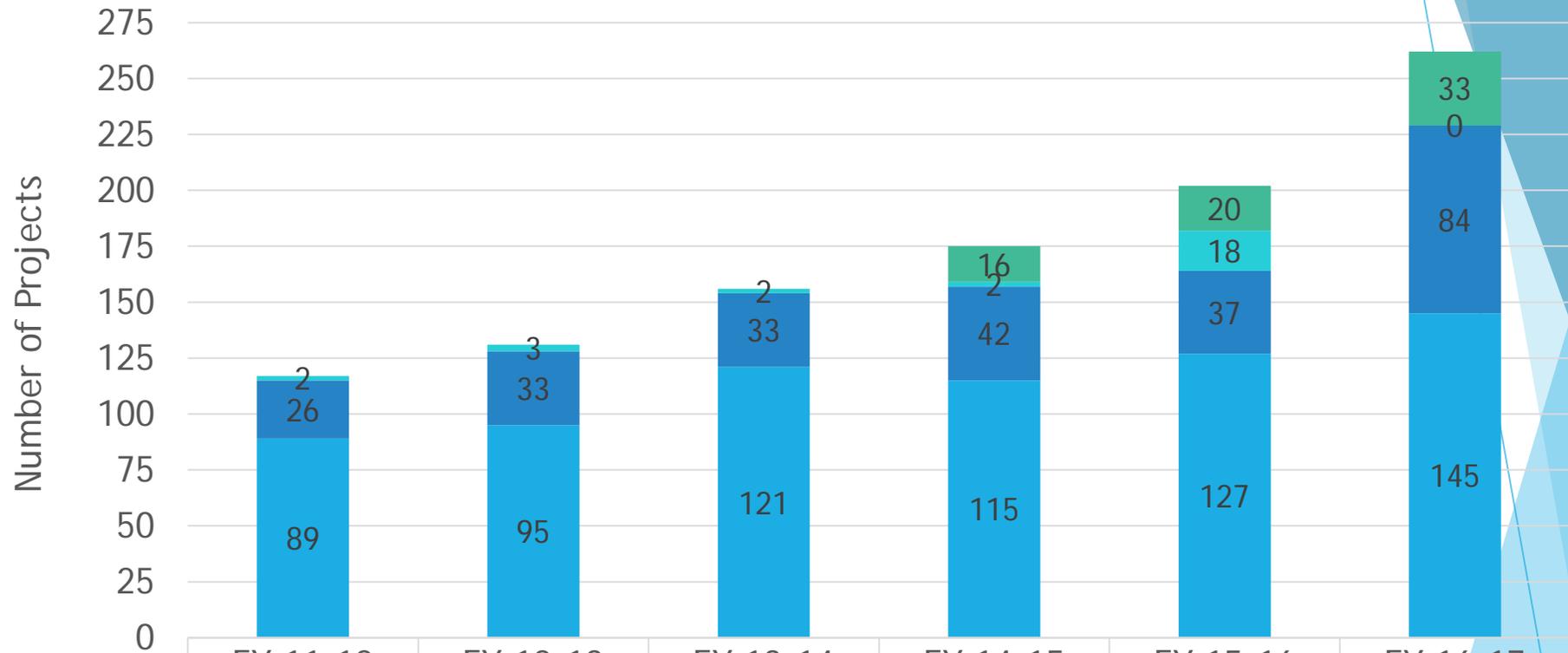
# DHR Exam Cycle Time & Workload Metrics

# Applications

Fiscal Year



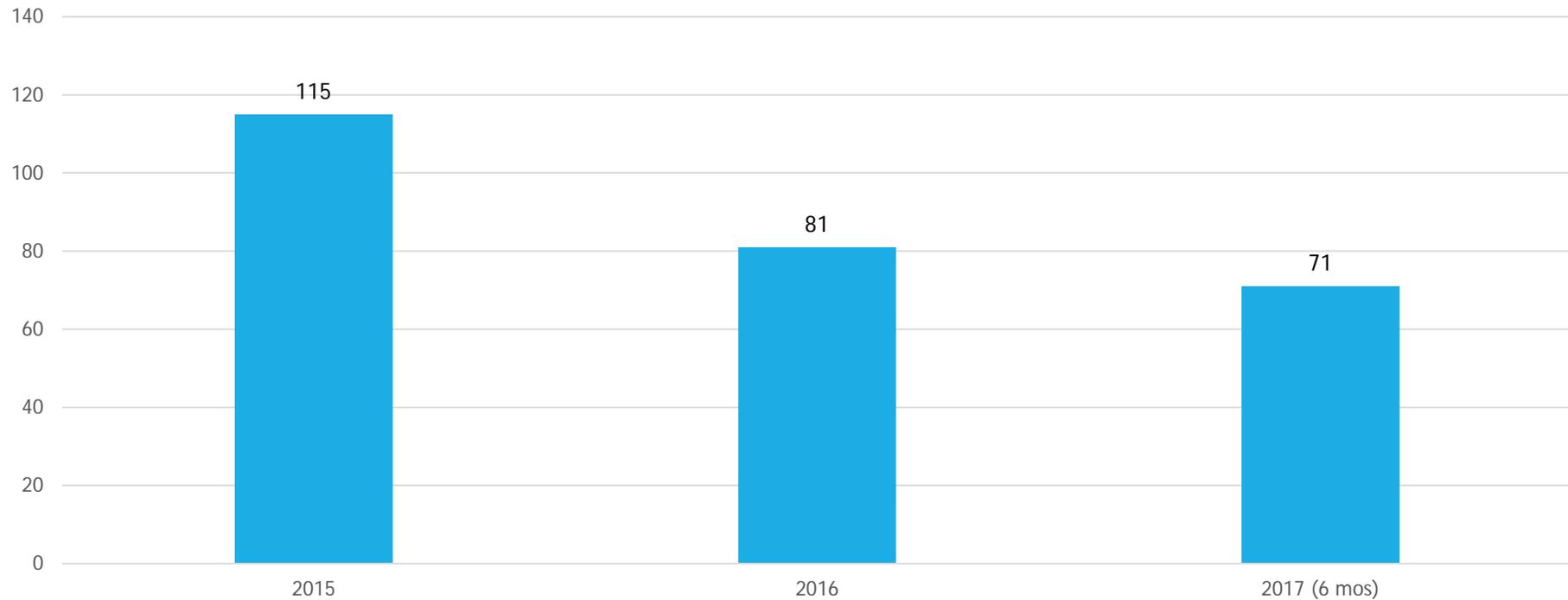
# DHR Workload: Number of Projects/Exams



	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Shared Services				16	20	33
MISC Exams	2	3	2	2	18	0
Master Calendar	26	33	33	42	37	84
Departmental Projects	89	95	121	115	127	145
<b>Total</b>	<b>117</b>	<b>131</b>	<b>156</b>	<b>175</b>	<b>202</b>	<b>262</b>

# DHR Exam Cycle Time (2015 - 1H 2017)

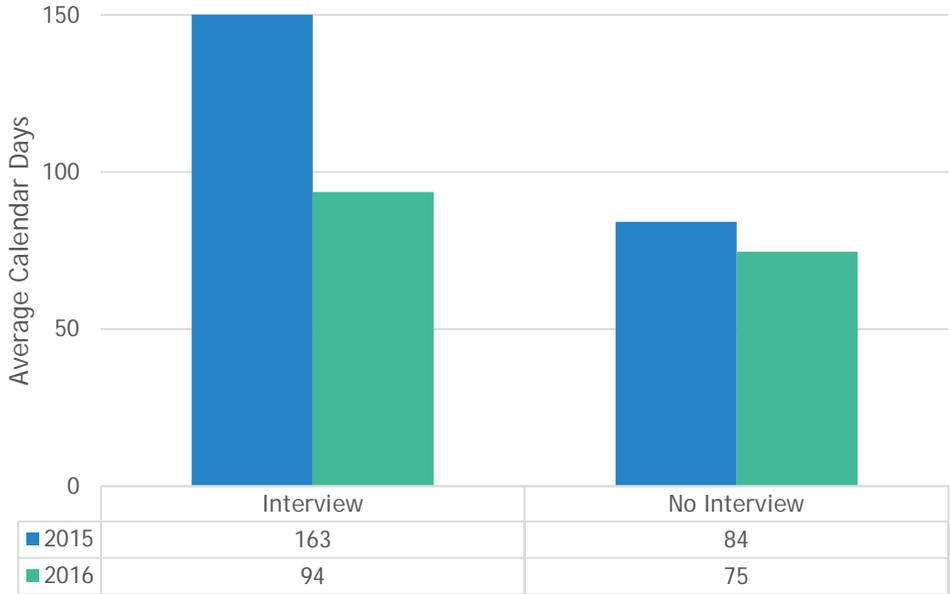
Average DHR Overall Exam Cycle Time (Days)



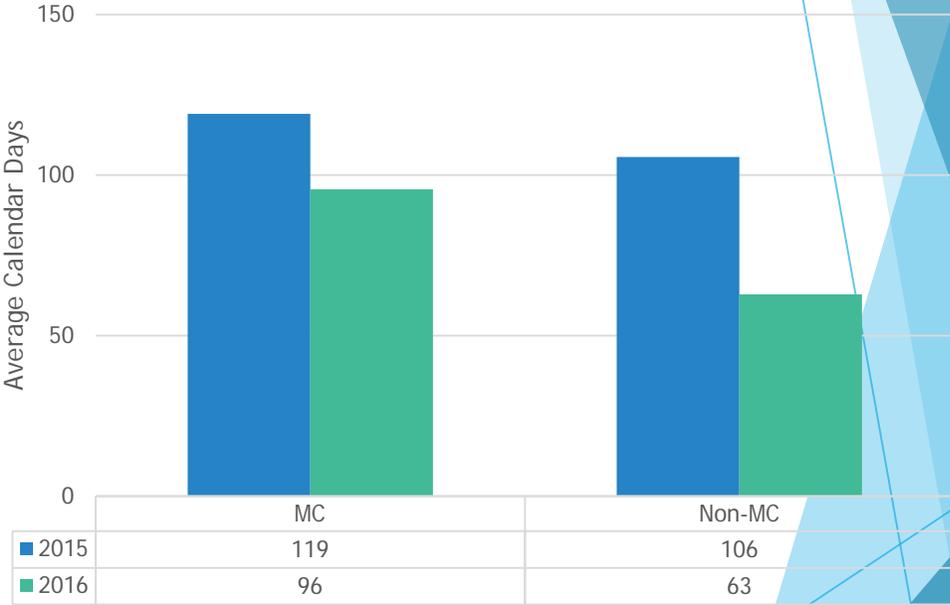
38% overall reduction

# DHR Exam Cycle Time in CY 2015 vs 2016

Interviews



Master Calendar vs. Non-Master Calendar Cycle Time (Days)



# Measuring Quality



# Validity Study Process/Method

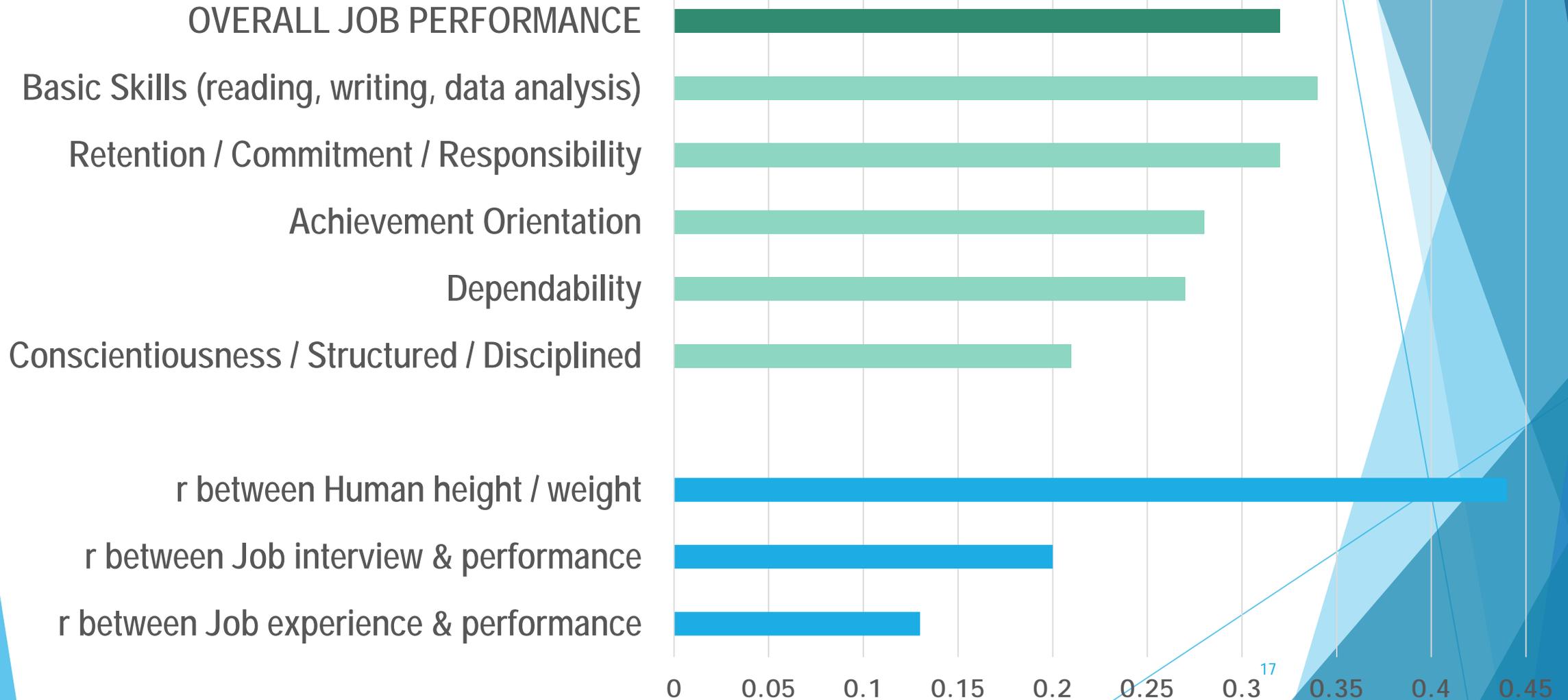
- ▶ Predictive Criterion-Related Validation Studies
  - ▶ Test Scores (“Predictors”) From Applicants
    - ▶ Clerical BBEST & Clerical WSA
  - ▶ Availability of Performance Data
  - ▶ Obtaining Performance Ratings (“Criteria”)
    - ▶ Correlate Test Scores Supervisor Ratings of Overall Performance
    - ▶ CRV is Infrequently Performed
  - ▶ LA County: One of the Few
  - ▶ Resource-Intensive; Time-Consuming; No Guarantee of Success; Large Sample Size Needed

# Setting & Method for County Study

- ▶ DPSS Eligibility Worker II
- ▶ Hired in the Last Two Years
- ▶ N = 372
- ▶ 194 supervisors provided ratings
- ▶ Predictive study
  - ▶ Predictor Data
  - ▶ Most Recent Supervisor

# Results - Predictive Relationships

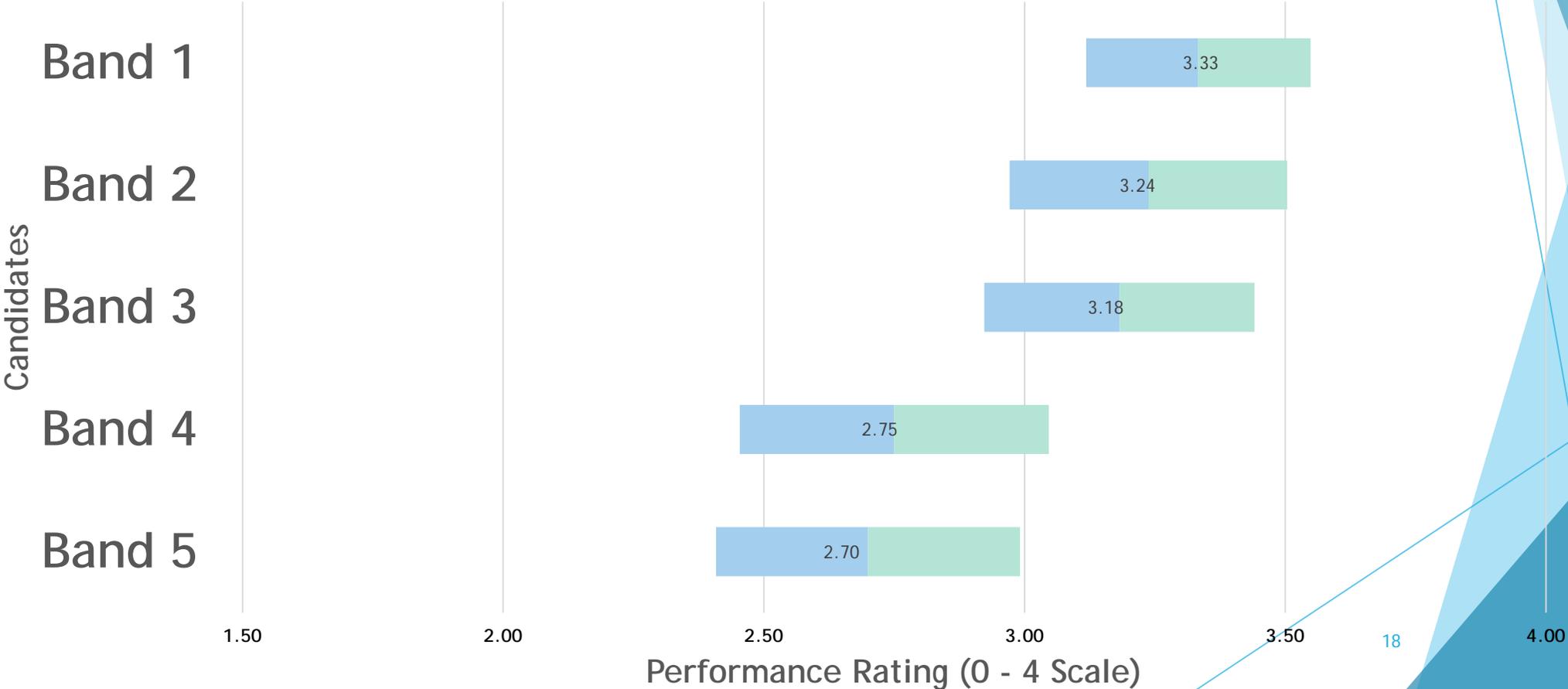
BBEST / WSA as a predictor of:



# Results - Overall

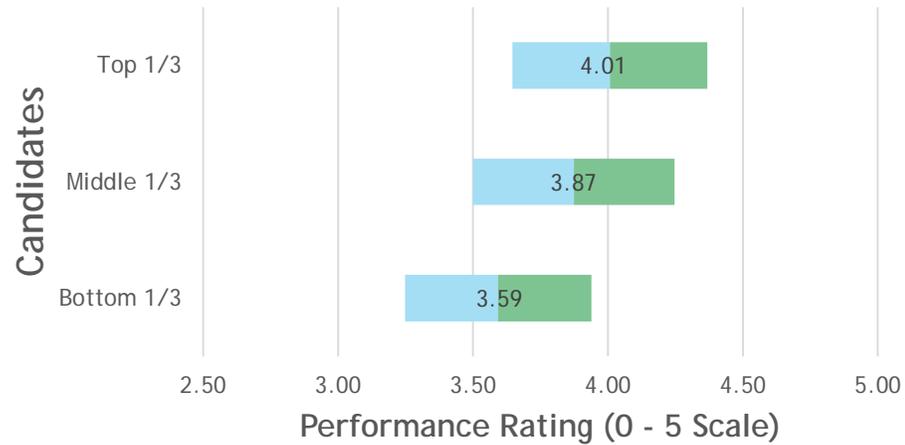
▶ Composite score predicting Overall Job Performance

Average Composite Overall Rating  
(BBEST + WSA)

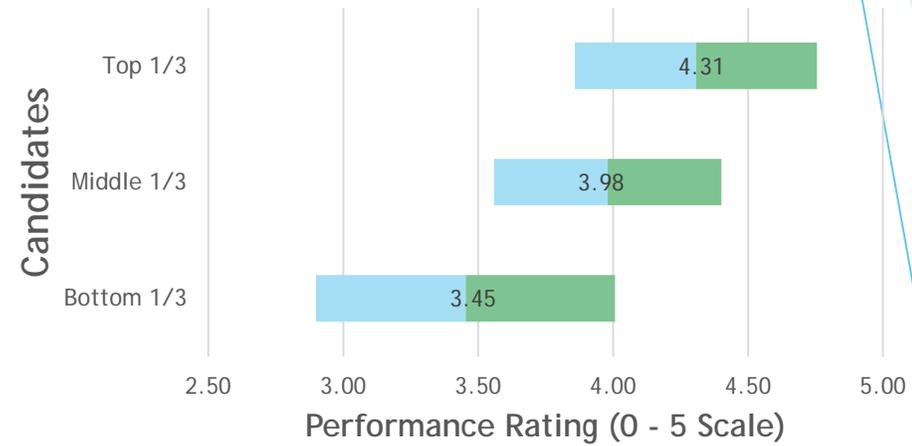


# Results - Work Styles Assessment

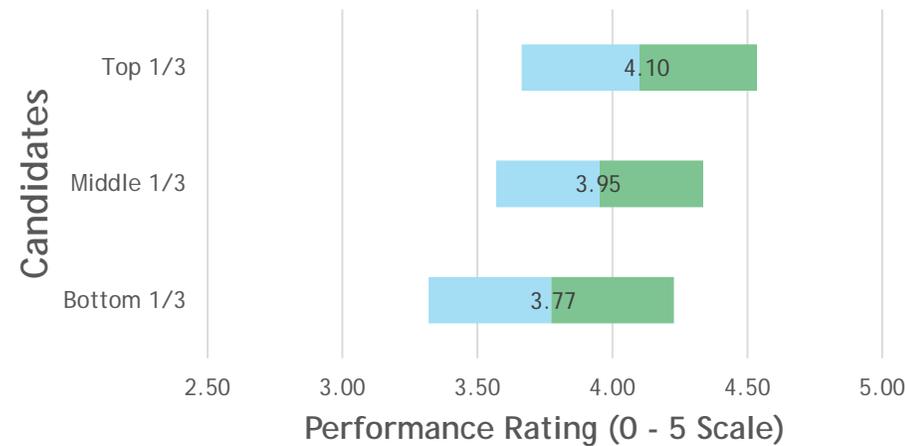
## Achievement Orientation



## Customer Service



## Conscientiousness



## Dependability

