County of Los Angeles
CHIEF EXECUTIVE OFFICE
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
http://ceo.lacounty.gov

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

September 17, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

FINAL REPORT: BOARD ORDERS ON WORKFORCE INVESTMENT ACT (WIA) EMPLOYMENT AND TRAINING PROGRAM SERVICES CONTRACTS

On June 30, 2009 your Board took the following actions:

- Approved an award of the Workforce Investment Act (WIA) – Adult and Dislocated Worker contract for Area #12 (West San Gabriel Valley) and Area #3 (City of Compton), in accordance with the Department of Community and Senior Services' (DCSS) initial recommendation, as notified in writing on March 30, 2009 to Managed Career Solutions, Inc., and West San Gabriel Valley Consortium, dba Career Partners, and Compton CareerLink WorkSource Center on a month-to-month basis, pending the results of the Contract Review Board, Auditor-Controller review, and recommendation of DCSS;

- Directed the Auditor-Controller to review the County's third-level appeal process for these contracts; and report back within 30 days with recommendations on its findings;

- Directed DCSS to report back within 30 days after the Auditor-Controller's report, with recommendations for the final award of Area #12 WIA – Adult and Dislocated Worker contract;

- Directed this Office to redo the appeal process for all contractors who went through the third-level appeal process, in accordance with the County protest policy by the Contract Review Board, prior to the Auditor-Controller's review, with a report back in 30 days that includes a review of all administrative costs; and

- Made a finding that these actions are in the best interest of the County.

Via our August 11, 2009 memorandum, we reported to your Board the Auditor-Controller (review of the third-level appeal process) and DCSS (recommendations for the final award of Area #12 WIA – Adult and Dislocated Worker contract) would separately keep your respective staff advised of their actions and both would report back accordingly under separate cover. At that time, we also informed your Board we would need additional time to redo the appeal process for all contractors who went through the third-level appeal process and would report back to your Board by September 11, 2009 with our findings. This memorandum serves as our final response with respect to this issue. Please note the Auditor-Controller provided your Board with their review of the solicitation process and the administrative costs on August 14, 2009.

COUNTY REVIEW PANEL PROCESS

As we previously reported to your Board, our Office convened the County Review Panel (Panel) to hear all three appeals and provided the Panel members with the relevant documentation for their review and consideration in preparation for the meetings. DCSS received requests for Panels from Career Partners, Managed Career Solutions, and Compton CareerLink WorkSource Center, respectively.

West San Gabriel Valley Consortium, dba Career Partners:

On July 28, 2009, the Panel was convened at the request of Career Partners pursuant to the Services Contract Solicitation Protest (Protest Policy), Board Policy 5.055, in response to the Workforce Investment Act (WIA) Title I and Dislocated Worker Program Request for Proposal (RFP) issued October 17, 2008, by DCSS. The solicitation process also included three subsequent addenda dated October 23, October 28, and October 31, 2008. In addition, DCSS posted responses to written questions received from proposers on their Website on October 24, 2008 and November 10, 2008.

At the meeting, Career Partners made a presentation to the Panel alleging numerous errors had been made in the mathematical recording/summation of scores from the three proposal raters, there were inconsistencies in the application of corrections, and there was a failure to credit Career Partners with full points on selected Evaluation Document Questions (Questions), all of which would add additional points to Career Partners, making it the highest rated proposer.

As reflected in the supporting documentation accompanying the transmittal letter requesting a review, Career Partners asserted the following:

A. DCSS made identifiable mathematical or other errors in evaluating proposals.

Panel Finding: The Panel found that once DCSS agreed in the Debriefing results that Rater 10 incorrectly scored Questions 8 and 30, DCSS should have looked at the scoring of those Questions for all Raters, instead of just looking at the scoring for Rater 10 (as was raised by Career Partners). This increased Rater 9's score by 15 points (Questions 8 and 30) and Rater 16's score by 5 points (Question 30).

Panel Findings: The Panel found there was an inconsistency between what was requested in the RFP and what was defined in the Evaluation Document. The Panel, therefore, recommended the impact of Question 35 be removed for all Raters and among all proposers. On Questions 41 and 67, Career Partners presented its arguments and DCSS presented its responses. The Panel found no error or inconsistency and, therefore, recommended that the Raters' scores stand.

In addition to the above findings, during the meeting, the Panel concurred with DCSS' recommendations on three other scoring adjustments.

B. DCSS materially failed to follow procedures specified in its solicitation document.

Panel Findings: The Panel did not find material failure on the part of DCSS; therefore, recommended no further action for DCSS.

C. Bias by members of the Evaluation Committee and their superiors.

Panel Findings: The Panel could not find sufficient evidence of bias on the part of DCSS; therefore, recommended no further action for DCSS.

D. Another basis for review as provided by State or Federal law.

Panel Findings: There were no supporting documents provided to the Panel for consideration; therefore, the Panel found it was not able to effectively deal with this assertion and could not provide a recommendation. With regard to the availability of public records, the Panel found, that at the time the RFP was released, County policy did not provide for the release of public documents until the recommended action had been placed on the Board's printed agenda. On March 31, 2009, the Board adopted revisions to the Protest Policy, thereby, making the recommended proposer's proposal and evaluation documents subject to release under the Public Records Act at such earlier times as indicated in the revised Protest Policy. Thereafter, Career Partners received and is in possession of the requested documents. The Panel found no further action or recommendation was necessary.

At the close of the meeting, the Panel noted the review revealed a significant number of mathematical errors, errors in the consistency of handling corrections across Raters, and inconsistency between the RFP and the Evaluation Document, which raised questions about the RFP process. The Panel, therefore, made the overall recommendation that all of the disputed questions discussed during the meeting be re-scored across all proposals received under the RFP, in order to reflect a consistent application of the recommended corrections.

Summary

Based on the information presented to the Panel for review and oral presentations made at the meeting, the Panel recommended further action on the part of DCSS with regards to assertion A (above), specifically that DCSS made identifiable mathematical and other errors in evaluating

proposals. In response to the Panel finding, DCSS re-scored the proposals and Career Partners was determined to be the highest ranked bidder over Managed Career Solutions by five points.

Managed Career Solutions (MCS):

On July 30, 2009, the Panel convened at the request of MCS pursuant to the Protest Policy. At the meeting, MCS wanted to address the previous Panel's recommendation that Question 35 of the Evaluation Document under the RFP be deleted due to its inconsistency with the solicitation document. MCS expressed their concern regarding the impact the deletion would have on MCS' final score in the RFP process. MCS additionally expressed concern that their due process rights had been violated by convening a County Review Panel at another proposer's request and making a finding that impacted MCS' final score, without direct notice to MCS.

The Panel's counsel explained the process established by the Protest Policy, that each vendor is given an opportunity to submit a request for a County Review Panel and only issues included in the request are discussed before Panel. The Panel's counsel further explained a notice of each County Review Panel is posted on the third floor of the Hall of Administration and outside the meeting location. The Panel's counsel then advised the Panel that Question 35 was not part of the Panel's purview, because it was not included in MCS' transmittal letter; it was part of an independent and concluded Panel action.

As reflected in the supporting documentation accompanying the transmittal letter requesting a review, MCS asserted there was bias in the conduct of evaluation and prior appeals process evidenced by the following:

A. The delayed addition of a third Rater:

Panel Findings: The Panel did not find evidence of bias with the third Rater. The Panel recommended, however, for future solicitations, DCSS have raters conduct all evaluations within the same time frame to help ensure all evaluators receive the same instruction. The Panel noted this issue should be resolved in all future solicitations by use of the Informed Averaging evaluation methodology in accordance with a recently adopted Board policy.

B. Workforce Investment Board (WIB) Review Panel and its decision:

Panel Finding: The Panel recommended the WIB Review Panel should not be considered by DCSS as the third level of review. At the conclusion of discussion of these assertions, one Panel member noted DCSS' errors and inconsistencies in scoring and evaluation process, and utilization and acceptance of the WIB Review Panel's findings, could bring into question the RFP process and its execution.

Summary

Based on the information presented to the Panel for review and oral presentations made at the meeting, the Panel did not find support for the assertion of bias on the part of the third Rater. However, the Panel made recommendations related to each of the two assertions discussed, as noted above.

Compton CareerLink WorkSource Center (Compton):

On August 20, 2009, the Panel convened at the request of Compton pursuant to the Protest Policy. As reflected in the supporting documentation accompanying the transmittal letter requesting a review, Compton asserted the following:

A. DCSS made identifiable mathematical or other errors in evaluating proposals.

Panel Finding: The Panel did not find DCSS made identifiable mathematical or other errors in evaluating the proposal. As a result of the Panel's finding, there was no change to the score received by Compton.

B. DCSS materially failed to follow procedures specified in its solicitation document.

Panel Findings: The Panel did not find DCSS materially failed to follow procedures specified in its solicitation document, with the exception of the WIB Review Panel, which DCSS informed the Panel had been discarded.

C. Bias by members of the Evaluation Committee and their superiors.

Panel Findings: The Panel did not find members of the evaluation committee demonstrated bias in the conduct of the evaluation.

D. Another basis for review as provided by State or Federal law.

Panel Findings: The Panel did not find evidence of another basis for review as provided by State and Federal law.

Summary

Based on the information presented to the Panel for review and oral presentations made at the meeting, the Panel did not find sufficient evidence to recommend further action regarding any of the assertions above.

CONCLUSION

The results of the Panel process confirmed DCSS did not fully adhere to the County's Protest Policy and, in doing so, impacted the integrity of the appeal process. The Panel also determined DCSS needs to ensure the numerical accuracy of the evaluation documents and make certain the evaluators for the solicitations provide sufficient commentary to substantiate

their scores. In response to the Panel's findings, our Office advised DCSS their actions placed the County in a precarious position with respect to the validity of their solicitation process. For future solicitations, our Office directed DCSS to adhere to all applicable County policies and procedures without exception.

DCSS received all three Panel summary reports and will be returning to your Board with their contract recommendations. Please note the Panel summary reports for all three meetings are also available upon request.

Please let me know if you have any questions regarding this matter, or your staff may contact Martin Zimmerman at (213) 974-1326 or mzimmerman@ceo.lacounty.gov.

WTF:ES:MKZ
VLA:pg

c: Executive Officer, Board of Supervisors
Acting County Counsel
Director, Department of Community and Senior Services