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**OPERATIONS COMMITTEE
FEBRUARY 19, 2009**

SUBJECT: PROPOSAL FOR INTERNSHIP PROGRAM FOR VETERANS

**ACTION: NOT ENTER INTO AN AGREEMENT WITH TRANSPORTATION
FOUNDATION LOS ANGELES FOR AN INTERNSHIP PROGRAM FOR
VETERANS**

RECOMMENDATION

Recommend not to enter into an agreement with the Transportation Foundation Los Angeles (TFLA) for an internship program for veterans.

RATIONALE

TFLA submitted a proposal for us to consider contracting with them for a veteran internship program. Under their proposal, the TFLA would find and screen veterans who need jobs through outreach efforts, and the veterans would work for us as interns. The interns would be paid \$12 an hour by TFLA, and we would pay the TFLA \$20 an hour for each hour that a TFLA intern worked.

In our evaluation of the TFLAs proposal, we considered their proposed intern costs, our current cost of student interns, our internship program policy, the current FY09 budget for internships, the possible budget reduction for internships for FY10 due to the economic downturn, TFLA's history and their recent experience with Foothill Transit's on a similar internship program proposal, and our current and upcoming efforts to recruit veterans.

Based on our evaluation, we are recommending not to enter into an agreement with the TFLA based on the following:

- Veterans are well represented among our employee population. Veterans who meet the qualifications for regular positions apply directly for jobs as regular employees with benefits. In the past year, we hired 63 people who indicated a military status of either veteran or "other," which is usually National Guard.
- In addition to our ongoing outreach efforts, we are receiving additional outreach assistance from the Wilshire Metro WorkSource Center at no cost to us. The TFLA Internship Program would be duplicative of current outreach and recruiting efforts, at an additional cost.
- The TFLA would charge an administrative fee of \$8 per hour for each hour that a TFLA intern worked. This fee would increase our current hourly cost of interns by 66%.

- We have an established student internship program and have no difficulty finding interns at \$10 - \$12 per hour.
- Our internship program has shrunk from a peak of 170 interns to the current 50 due to budget constraints. Further reductions may occur in FY10. Any funds that are budgeted for interns in FY10 will fund more internship opportunities if we hire them directly.
- Our collective bargaining unit agreements have no provision for interns to perform union work.
- Foothill Transit entered into an agreement with TFLA but decided that their internship program could be managed more effectively in-house.

BACKGROUND

At its meeting on January 22, 2009, the Board directed the CEO to instruct staff to evaluate the TFLA proposal, to seek feedback as necessary from TFLA, to include TFLA's performance in providing service to Foothill Transit, and for staff to provide a report on staff's evaluation and recommendation.

TFLA was created as a 501 (c) (3) entity, and became part of our organization in 1993. In 1995, an external auditor recommended that TFLA should be spun off as a separate entity to enable TFLA to accept funds from private funding sources and expand their funding opportunities. We continued to fund TFLA through the Call for Projects until 2003.

We have had success in hiring employees with military service. Although we cannot require applicants to reveal their military status, they can voluntarily provide it after they are hired. In 2008, 63 newly hired employees indicated that they had military experience, either as veterans or "other," which is typically National Guard. We have also participated in numerous outreach programs aimed partly or wholly at veterans. Among these outreach efforts were two large job fairs held in 2008 by US Vets.

In addition to our ongoing efforts to recruit veterans, we will be offering a class of our Bus Operator Bridge Program to veterans. The Wilshire-Metro WorkSource Center, a key partner in the Bridge Program, received a two year grant from the Employment Development Department of the Governors Discretionary 15 percent to fund outreach and provide supportive services for veterans. The WorkSource Center has two individuals dedicated full-time for an extensive outreach program that pre-screens and employs veterans. This program greatly enhances outreach efforts to veterans for career opportunities as Bus Operators.

FINANCIAL IMPACT

There will be no financial impact.

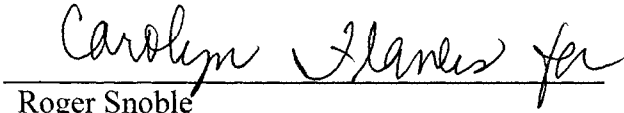
ALTERNATIVES CONSIDERED

Staff looked into possible grant funding opportunities for interns and internship programs but none were available.

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