



TO: All Humboldt County Workforce Innovation and Opportunity Act Board Members, Staff, Fiscal Agents, Operators and Providers

FROM: Humboldt County Workforce Development Board

EFFECTIVE: December 14, 2017

SUBJECT: Firewall

REFERENCES: Workforce Innovation and Opportunity Act (WIOA) Public Law (113-128);
Title 2 Code of Federal Regulations (CFR) Part 200: “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (Uniform Guidance);
Title 2 CFR § 200.318;
Title 2 CFR Part 2900: “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (Department of Labor Exceptions);
Title 20 CFR WIOA, “Department of Labor; Final Rule”;
Title 34 CFR WIOA, “Point Rule for Unified and Combined State Plans Performance Accountability, and the One-Stop System Joint Provisions; Final Rule”;
WIOA Title I, subtitle E § 679.430;
Training and Employment Guidance Letter WIOA NO. 21-16
OPERATING GUIDANCE for the WORKFORCE INNOVATION AND OPPORTUNITY ACT;
State of California Employment Development Department Workforce Services Directive, WSD16-14;
America’s Job Center of California Memorandum of Understanding (MOU) Phase I & II; and
County of Humboldt Economic Development Conflict of Interest and Code of Conduct Policy & Procedure.

PURPOSE:

The purpose of this policy is to provide guidance in the commitment of the Humboldt County Workforce Development Board (HC-WDB) to the highest level of system integrity and the appropriate oversight of the Workforce Innovation and Opportunity Act (WIOA) and America’s Job Center of California (AJCC), in order to comply with federal, state, and local laws and regulations. In addition, the purpose of the policy is to establish a “firewall” in the event of a conflict of interest.

Humboldt County Workforce Development Board

BACKGROUND:

The HC-WDB is committed to maintaining the highest of standards of ethical conduct and to guard against problems arising from a single entity performing multiple functions.

DEFINITIONS:

Conflict of Interest - an employee, officer, agent, or any member of the organization that has an interest in a financial gain or tangible benefit and who participates in the selection, award, or administration of a contract supported by a federal award.

Firewall – an established policy or procedure that acts as a barrier or protection against an undesirable influence, outcome, or authority. Examples of firewalls include but are not limited to organizational arrangements that provide clear separation of duties and responsibilities, reporting hierarchy of managers and staff that provide clear separation between job duties and responsibilities, and conflict of interest/confidentiality/disclosure agreements.

POLICY AND PROCEDURE:

The HC-WDB Staff and Members, AJCC Operators (“Operators”), Service Providers and Fiscal Agent must act solely in the best interest of the community without regard to personal interest and must not participate in matters in which they have a disqualifying financial interest.

I. **AJCC Operators:**

- a. Operators are selected through a competitive procurement process and either be a single agency or a consortium that includes, at a minimum, three or more AJCC partners.
- b. When a single entity operates in more than one of the following roles including but not limited to local fiscal agent, WDB staff, one-stop operator, or direct service provider, it is required that such agency adhere to the policy set forth in this document.
- c. Operators responsibilities include:
 - i. Coordinating the service delivery of required AJCC partners and service providers.
 - ii. Ensuring all partners are in compliance with AJCC Memorandum of Understanding (MOU) Phase I & II.
 - iii. Provide reports to the HC-WDB on operations, performance and continuous quality improvement recommendations. Operators may be asked to take on additional tasks as directed by the HC-WDB.
 - iv. Implement local HC-WDB policies.
 - v. Adhere to all applicable federal and state guidance.
- d. Operators must adhere to the following:
 - i. Disclose any potential conflicts of interest arising from the relations of the AJCC Operator with training service providers or other service providers

in accordance with Uniform Guidance General Procurement Standard as per Title 2 CFR § 200.318

- ii. Will not establish practices that create disincentives to providing services to individuals with barriers to employment who may require longer-term services, such as intensive employment, training, and education services.
- iii. Comply with the federal regulations and procurement policies relating to the calculation and use of profits outlined in Uniform Guidance;
- iv. Adhere to WIOA Title I subtitle E § 679.430 to ensure appropriate firewalls within a single entity performing multiple functions, including when a fiscal agent also functions as a provider of services.

II. **Title I, Dislocated Worker and Adult Services Providers**

- a. Title I, Dislocated Worker and Adult Services Providers are selected through a competitive procurement process.
- b. Title I Adult and Dislocated Worker Services Providers responsibilities include:
 - i. Providing direct services, including but not limited to participant intake, orientation, initial assessments, employment services, and referrals to other partners and services.
 - ii. Providing individualized direct services including but not limited to comprehensive and specialized assessments, case management, individual employment plans, career planning and vocational counseling.
 - iii. Managing the daily operations in coordination with local fiscal agents for the lease, utilities and other property activities in support of AJCC premises.
 - iv. Managing the hours of operation for the AJCC.
 - v. Reporting to the HC-WDB on operations, performance and continuous improvement recommendations.
 - vi. Implementing local HC-WDB policies
 - vii. Adhere to all applicable federal and state guidance.

III. **Title I, Youth Service Providers**

- a. Title I, Youth Service Providers are selected through a competitive procurement process.
- b. Title I, Youth Service Providers responsibilities include:
 - i. Tutoring, study skills training, and evidence-based dropout prevention and recovery strategies that lead to completion of secondary school diploma or its recognized equivalent or for a recognized post-secondary credential.
 - ii. Alternative secondary school services, or dropout recovery services, as appropriate.
 - iii. Paid and unpaid work experiences that have academic and occupational education as a component of the work experience, including the following:

1. Summer employment opportunities and other employment opportunities available throughout the school year;
 2. Pre-apprenticeship programs;
 3. Internships and job shadowing; and
 4. On-the-job training opportunities.
- iv. Occupational skill training, which includes priority consideration for training programs that lead to recognized post-secondary credentials that align with in-demand industry sectors or occupations.
 - v. Education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.
 - vi. Leadership development opportunities, including community service and peer-centered activities encouraging responsibility, and other positive social and civic behaviors.
 - vii. Supportive services.
 - viii. Adult mentoring for a duration of at least 12 months that may occur both during and after program participation.
 - ix. Follow-up services for not less than 12 months after the completion of participation.
 - x. Comprehensive guidance and counseling, including drug and alcohol abuse counseling, as well as referrals to counseling, as appropriate to the needs of the individual youth.
 - xi. Financial literacy education.
 - xii. Entrepreneurial skills training.
 - xiii. Services that provide labor market and employment information about in-demand industry sectors or occupations available in the Local Area, such as career awareness, career counseling, and career exploration services.
 - xiv. Activities that help youth prepare for and transition to post-secondary education and training.
 - xv. Reporting to the HC-WDB on operations, performance and continuous improvement recommendations.
 - xvi. Implementing local HC-WDB policies
 - xvii. Adhere to all applicable federal and state guidance.

IV. **Fiscal Agent**

- a. County of Humboldt County Administrative Office, Economic Development Department (CAO-EcDev) acts as the fiscal agent, as appointed by the Humboldt County Board of Supervisor.
- b. Fiscal Agent responsibilities:
 - i. CAO-EcDev adheres to all federal, state and county regulation and policy.

- ii. CAO-EcDev enters into contracts with sub-recipients and establishes the scope of services aligning with requirements set forth in WIOA law and local policies set by the HC-WDB.
- iii. CAO-EcDev is responsible to monitor all sub-recipients and ensure compliance with the County contract, and state and federal regulations.
- iv. CAO-EcDev processes monthly invoices, payments and is responsible to draw funds down from the State of California.

V. **HC-WDB Staff**

- a. HC-WDB staff responsibilities:
 - i. HC-WDB staff coordinates between the HC-WDB and partners to the workforce system in Humboldt County.
 - ii. HC-WDB staff acts a liaison between the HC-WDB and America's Job Center of California.
 - iii. HC-WDB staffs all HC-WDB board meetings; taking minutes, developing agendas, and writing reports.
 - iv. HC-WDB staff coordinates efforts between education, industry, economic development, labor unions and community-based organizations.
 - v. HC-WDB staff writes grant applications, state reports, local and regional plans, and any necessary document that is required by the California Workforce Development Board.
 - vi. HC-WDB staff ensures that all necessary local policies are updated and circulated to all partners.
 - vii. HC-WDB staff assists in policy development.

VI. **Firewall Guidelines**

- a. The appropriate role of fiscal agent is limited to accounting and funds management functions rather than policy or service delivery as per Title 2 CFR § 679.420.
- b. Providers delivering Title I, Dislocated Worker and Adult Services and Title I, Youth Direct Services will report any concerns or issues relating to conflicts of interest with Operators directly to HC-WDB staff and bypass the Operators.
- c. Operators will report any concerns or issues relating to conflicts of interest with the Title I, Dislocated Worker and Adult Services and Title I, Youth Direct Service Providers directly to the HC-WDB staff and bypass the Direct Services agency.
- d. HC-WDB will be responsible for all conflicts of interest oversight and monitoring activities including but not limited to imposing separation of duties and/or functions among individuals and entities and restriction of access to physical and electronic information. HC-WDB will be required to recuse themselves from any vote where a conflict of interest exists. In the event of a conflict of interest with HC-WDB staff, such person will not be involved in any selection process, meetings or discussions. All conflicts will be shared with the HC-WDB Executive Director (ED) and HC-WDB Chair. In the event that the conflict involves the HC-WDB ED, the HC-WDB Chair will communicate with the County Administrative Office, who provides oversight to the HC-WDB Executive Director position. In

the event that the conflict involves the HC-WDB Chair, the HC-WDB ED will communicate with the HC-WDB Vice-Chair or other HC-WDB Executive Committee member. Access to information is protected from HC-WDB members due to files being stored at the County of Humboldt, Economic Development office. When a conflict involves HC-WDB staff, files will be kept in a locked cabinet and saved in a password protected file within the County's server.

- e. In the event that a HC-WDB member recuses themselves from a vote at a public board meeting, causing a quorum vote to not be met, the item will be tabled until a future meeting. If this occurs at an HC-WDB Executive Committee meeting, the item will be included on the HC-WDB agenda at a subsequent meeting. If there is an instance where the HC-WDB do not have a quorum vote due a recusal then the item will be tabled and added to a future agenda for further discussion and vote.
- f. Members of HC-WDB shall comply with County of Humboldt Economic Development Conflict of Interest and Code of Conduct Policy and Procedure.

FORM(S): None

INQUIRIES:

Any questions regarding this policy may be directed to the Workforce Development Board Director at 707-445-7745.

Humboldt County Workforce Development Board Approval Required? Yes No