

SOUTHWESTERN AREA WORKFORCE DEVELOPMENT BOARD

FIREWALL POLICY 24-02

DATE OF ISSUE

August 19, 2024

EFFECTIVE DATE

August 19, 2024

APPLICABILITY

This applies to the Southwestern Area Workforce Development Board (SAWDB), Administrative Entity, Service Providers, and One-Stop Operator.

PURPOSE

To ensure compliance with WIOA 20 CFR §679.430, which states that any organization that has been selected or otherwise designated to perform more than one principal function within a local workforce system must develop a written agreement with the Local Workforce Development Board (LWDB) and Chief Elected Official(s) (CEO) to clarify how the organization will carry out its responsibilities while demonstrating compliance with Workforce Innovation and Opportunity Act (WIOA) and corresponding regulations, relevant Office of Management and Budget (OMB) circulars, and the State's conflict of interest policy.

This policy serves as an agreement between the Southwestern Development Board, Administrative Entity, Fiscal Agent, and Service Providers/Subrecipients, providing multiple principal functions within the Southwestern Region. The SAWDB Members, Administrative Entity, One-Stop Operators, Service Providers, and Fiscal Agent must act solely in the best interest of the community without regard to personal interest, and must maintain appropriate firewalls between roles, as defined in WIOA, corresponding regulations, and the SAWDB Conflict of Interest policy.

DEFINITIONS:

Chief Elected Official (CEO): The chief elected executive officer of a unit of general local government in the Southwestern Region.

Administrative Entity (AE): The entity designated by the SAWDB for the administration of WIOA in the Southwestern Region.

Local Workforce Development Board (LWDB): The local workforce development board established by the governor.

One-Stop Operator (OSO): A public, private, or nonprofit entity, or a consortium of entities designated or certified under WIOA section 121Southwestern Region.

Workforce Connection Center: A physical one-stop center within the one-stop delivery system.

South Central Council of Governments (SCCOG): The entity selected or designated by the SAWDB to perform Multiple principal WIOA functions, including Administrative Entity, Fiscal Agent, One-Stop Operator, and Adult and Dislocated Worker Service provider.

Administrative Reporting: A direct line of authority for the organizational hierarchy, including evaluation and HR-related activities. As related to this policy, The WIOA Administrator reports directly and administratively to the SCCOG Executive Director, and all WIOA managers and staff report to the WIOA Administrator (see attached organizational chart)

Functional Management: An oversight relationship to provide direction of a particular or variety of functions.

Example: The One-Stop Operator has Functional Management responsibilities for all partners within the Workforce Connection without direct administrative authority. This ensures proper coordination and adherence to policy, initiatives, and strategic imperatives as directed by the SAWDB, are properly addressed.

ROLES AND RESPONSIBILITIES

SAWDB Staff (Administrative Entity): Per 20 CFR § 679.400, local WDB staff assist the Local WDB in fulfilling the required functions at WIOA sec. 107(d):

- A. Developing a local Plan;
- B. Conducting workforce research and regional labor market analysis;
- C. Convening stakeholders to assist in Local Plan development, identify expertise and resources, and leverage support for workforce activities;
- D. Employer engagement;
- E. Develop and implement Career Pathways;
- F. Identify and promote proven and promising strategies and initiatives for meeting the needs of employers, workers and job seekers;
- G. Develop strategies for utilizing technology;
- H. Conduct subrecipient program oversight;
- I. Negotiate local performance accountability measures;
- J. Coordinate activities with education providers;
- K. Budget and Administration (develop budget); and
- L. Ensure accessibility for individuals with disabilities.

Operator: Per 20 CFR § 678.620 and SAWDB ONE-STOP DELIVERY SYSTEM POLICY 17-17:

The One-Stop Operator should engage in the following:

- A. Facilitate the daily operations of the Workforce Connection center by coordinating service delivery among partners and staff;
- B. Manage partner responsibilities as defined in MOUs;
- C. Facilitate Workforce Connection center staff/partner development;
- D. Oversee and ensure performance and continuous quality improvement activities;
- E. Handle EEO responsibilities, customer complaints, and ensure accessibility as outlined in local, state and federal guidance;
- F. Implement board policy;
- G. Facilitate the development of reports and presentations to SAWDB focused on partnership engagement, workforce development operations, performance accountability, and continuous improvements and other reports as required;

- H. Coordinate the integration and collaboration of all Workforce Connection center partners/staff to ensure a seamless and streamlined system for customers and businesses;
- I. Collaborate with SAWDB, partners, and staff to ensure businesses and the public are aware of all services available through the career centers and information is provided for accessing these services;
- J. Assure the Workforce Connection centers comply with all required customer support and information as required under local, state and federal regulations;
- K. Collaborate with partners to facilitate and participate in special projects such as job fairs, business driven workshops, and be responsible for communicating employers' needs to the Workforce Connection center partners;
- L. Convene regular meetings of the Workforce Connection staff and partners as required by local, state and federal regulations, and;
- M. Other duties as outlined by local, state and federal regulations for the One-Stop Operator.

The One-Stop Operator may not perform the following functions:

- A. Convene system stakeholders to assist in the development of the local plan;
- B. Prepare and submit local plans (as required under sec. 107 of WIOA);
- C. Be responsible for oversight of itself;
- D. Manage or significantly participate in the competitive selection process for one-stop operators;
- E. Select or terminate one-stop operators, career services, and youth providers;
- F. Negotiate local performance accountability measures; or
- G. Develop and submit budget for activities of the Local WDB in the local area.

Under WIOA, one-stop operators are required to be selected through a competitive process, and the SAWDB may specify that the Operator take on the role of:

- A. Coordinating services across multiple Workforce Connection centers or entire workforce areas
- B. Functioning as a direct service provider, and
- C. Managing the day-to-day operations of their Workforce Connection centers.

Fiscal Agent: Per 20 CFR § 679.420, the Fiscal Agent responsibilities include:

- A. Receive funds;
- B. Ensure sustained fiscal integrity and accountability for expenditures of funds in accordance with Office of Management and Budget circulars, WIOA and the corresponding Federal Regulations and State policies;
- C. Respond to audit financial findings;
- D. Maintain proper accounting records and adequate documentation.
- E. Prepare financial reports; and
- F. Provide technical assistance to subrecipients regarding fiscal issues.

Service Providers: Per 20 CFR § 678.420 and 20 CFR § 678.430, each Service Provider must:

- A. Provide access to its programs or activities through the one-stop delivery system, in addition to any other appropriate locations;
- B. Use a portion of funds made available to the partner's program, to the extent consistent with the Federal law authorizing the partner's program and with Federal cost principles in 2 CFR parts 200 and

2900 (requiring, among other things, that costs are allowable, reasonable, necessary, and allocable), to:

1. Provide applicable career services, including:
 - a. Basic career services including but not limited to participant intake, orientations, initial assessments, employment services, and referrals to other partners and services;
 - b. Individualized career services including but not limited to comprehensive and specialized assessments, case management, individual employment plans, training, and career planning; and
 - c. Follow-up services including but not limited to counseling regarding the workplace for up to 12 months after the first day of employment
 - d. Work collaboratively with DWS and the SAWDB to establish and maintain the one-stop delivery system.
 - i. Enter into an agreement with the SAWDB relating to the operation of the one-stop delivery system that meets the requirements of § 678.S00(b);
 - ii. Participate in the operation of the one-stop delivery system consistent with the terms of the agreement, requirements of authorizing laws, the Federal cost principles, and all other applicable legal requirements; and
 - iii. Provide representations to the SAWDB and Workforce Connection as required and participate in SAWDB committees as needed.

Organizational Firewalls: SAWDB firewalls aim to separate organizational functions and staff reporting relationships between different departments that handle governance, policy, coordination, administration, operations, monitoring and oversight, and program services.

- A. **Governance Activities:** Governance activities are activities related to the organization of the SAWDB and the one-stop delivery system; identification and selection of one-stop operator(s), providers of workforce investment activities, and providers of training services; negotiation of local performance accountability measures; negotiation of the local area MOU among one-stop system partners; development of a budget for the Local Workforce Development Area; and development of the local and regional plans. Administrative Entity staff assist the Chief Elected Officials and the SAWDB in carrying out these activities.
- B. **Policy:** The Administrative Entity staff conducts workforce research and makes recommendations and develops policy and proven and promising practices to the SAWDB based on that research.
- C. **Coordination Activities:** The Administrative Entity staff assists the SAWDB in convening, brokering, and leveraging stakeholder resources; engaging employers; and coordinating with education providers.
- D. **Administration:** The Fiscal Agent entity manages WIOA Title 1 funds and other workforce development funds as the local grant sub-recipient.
- E. **Operations:** The Operations staff assists the One-Stop Operator in carrying out the operations responsibilities listed above.
- F. **Monitoring and Oversight:** The Administrative Entity must ensure that subrecipient monitoring is complete and performs oversight of all local WIOA Title 1 grant subrecipients (Adult and

Dislocated Worker Service Provider, Youth Service Provider and One-Stop Operator). Each unit of the operations, in turn, receives oversight from a standing committee. For purposes of monitoring and oversight, all certified, local Workforce Connection centers are considered to be local grant subrecipients. Monitoring and oversight includes evaluating and monitoring subrecipients' for compliance with federal laws, regulations, and policy, as well as state and local policy, and contract compliance.

Programmatic and Fiscal monitoring of WIOA subrecipients One-Stop Operator, Adult and Dislocated Worker service provider, and Youth service provider(s) is performed by the Administrative Entity and Fiscal Agent staff for the SAWDB.

Fiscal monitoring/auditing is to be performed by an outside contractor(s).

The Administrative Entity will create a monitoring policy for guidance and procedures. Following Board approval, monitoring should be conducted in the manner outlined in the policy.

Once each program year, the Administrative Entity staff and contractor(s) assigned to subrecipient monitoring prepares and presents monitoring reports for the Monitoring Committee for review and to ensure resolutions for any findings.

The report will also be presented to the SAWDB.

The SAWDB Monitoring Committee will be responsible for continued review and monitoring of any recommended actions. Additionally, the monitoring process and reports may be reviewed and examined for compliance within the annual SCCOG Audit.

- G. **Program Services:** Program services are provided by required and additional one-stop partners in the Workforce Connection network. Services include WIOA-funded Youth service activities and Adult and Dislocated Worker career services that are provided by staff through the New Mexico Workforce Connection centers.
- H. **Staff Reporting Relationships:** The following reporting relationships ensure that the SAWDB monitoring and oversight staff does not have a reporting relationship with the Service Providers that it monitors.
 1. Fiscal Agent Staff all report to the SCCOG Executive Director either directly or through the Fiscal Administrator. Functions carried out by Fiscal Agent staff are WIOA Fiscal Agent functions.
 2. Administrative Entity staff report to the WIOA Administrator either directly or through other SAWDB Administrative Entity staff. Functions carried out by SAWDB Administrative Entity staff are Administrative Entity functions. As such, they report to the SAWDB, functionally, through the WIOA Administrator.
 3. Operations staff all report to the One-Stop Operator either directly or through other Operations staff. Functions carried out by the Operations staff are WIOA One-Stop Operator. The One- Stop Operations will have a direct report to the WIOA Administrator and functional management to the SAWDB.
 4. SAWDB Service Provider staff all report to WIOA Administrator either directly or through other program staff.

There are additional firewalls between the contracted Service Providers, One-Stop Operator, Fiscal Agent staff, and Administrative Entity staff, and the SAWDB. Firewalls guarantee separate reporting and monitoring relationships and separate functions. Functions are shared among roles only where explicitly defined in WIOA law, regulations, or operating guidance.

REFERENCES:

20 CFR § 679.430

20 CFR § 679.400

20 CFR § 678.620

20 CFR § 679.420

20 CFR § 678.420

20 CFR § 678.430

NMAC 11.2.4

NMAC 11.2.5

TEGL 15-16

TEGL 16-16

WCCNM Administrative Policy No. AP-209

INQUIRIES

WIOA Administrative Entity; (575) 744-4857.

ATTESTED

This policy was approved through SAWDB Resolution on August 8, 2024.



SAWDB Chair