



## Area 7 Workforce Investment Board Meeting Minutes December 2, 2009

The meeting was called to order by Tony Quatman, Chair, at 10:13 a.m..

**Members Present:** John Bridenbaugh, Chuck Dyar, Chuck Feicht, Bill Lukens, Bryant McConnell, Neena Miller, Tony Quatman, Bill Smith, Robert Talcott, and Denise Ventrone

**Others Present:** Teresa Alt, Tamika Bailey, Paul Barnaby, Sam Bassitt, Harold Cullum, Doris Edelman, Roger Fisher, Pat Hoover, Kathy Leadingham, Isaac Lee, Heath MacAlpine, Amy McKinney, Rich Owens, Mona Reilly, Rocky Rockhold, Lynn Shock, Carolyn Smithers, Roxane Somerlot, Cindy Thatcher, Beth Tsvetkoff, Andrew Votava, Larry Wilson, Barbara Younkin, Michelle Fields, Martee Rogers, John Trott, and Fran Massie (recorder)

**Quorum:** Met

### **Review of Consent Agenda:**

There was discussion about resolution 12-02-2009-09: Policy P7-303: Procurement. The December 2006 policy is being revised. Some definitions were added to the policy. In section C(2), references to RFQs were removed. There was also a wording change in the selection of service providers section.

### **Executive Director's Report:**

John Trott reviewed the artist drawing of an airport, from the 2008 Board retreat, that represents Area 7. The control tower represents the Area 7 Board. The gates are the 11 systems of Area 7, helping people reach their destination jobs. Circumstances were different a year ago, but our priorities are still relevant. The three priorities identified at the retreat are:

- 1) Tackling funding issues
- 2) Working smarter with data systems
- 3) Targeting our resources on growth industries

### **Funding updates:**

- Stimulus spending: The state set aggressive spending goals for the ARRA (stimulus) funds. Workforce areas have one year to spend the money based on expenditure rates and deadlines set by the state. The Area 7 Fiscal Committee has been focused on this and monitors our progress. Area 7 was successful in meeting our goals because the One-stops met their huge challenge to serve people. The Adult and Dislocated Workers expenditures were in addition to the regular formula dollars.
- Formula spending: The state requires formula money to be spent within two years, or it will be reallocated to other areas. The state guidelines say that 35% needs to be spent by December 30. This is in addition to the stimulus funds. Area 7 has a policy for transferring funds to counties within Area 7.

- The conundrum: The state passed an expenditure rate policy similar to Area 7's, with a goal to aggressively spend funds. Area 7 is spending its Adult and Dislocated Worker dollars and will meet our stimulus goals. However, if we meet the state's goal and are successful, next year we could be short on funds.
- New funding strategies: There are more National Emergency Grants (NEGs) being issued. There is a NEG for the Wilmington Airpark and a statewide NEG to serve workers displaced from GM Moraine in Montgomery County and other auto/parts plants in Ohio.
- Summary: Our One-Stops are serving larger numbers of people than ever before. The stimulus funds last one year. There was a 30% cut in formula dollars, and there could be another cut next year due to economic downturns in other states.

#### Legislative Update:

- Area 7 needs to outreach to legislators, state leaders, and federal leaders. A subcommittee met twice to discuss ideas.
  - There is a need for education and outreach. The Area 7 office will create PowerPoint presentations and compile success stories for the One-Stops to share with their legislators.
  - There is a need for WIA reauthorization. Area 7 has an opportunity with the commissioners and Directors Association to take the lead. We have good partnerships with these associations.

#### Tracking System update:

- 41 of 43 counties are using Swipelt to track One-Stop customers. This tracks who came in, what resources were used, and if the visit was a first or repeat visit.
- 31 of 43 counties are using Gazelle, the case management portion of the tracking system. Items tracked include what services a customer received and what training was provided.
- 21 of 43 counties are using MIP, the fiscal portion of the tracking system. MIP will require intensive and personalized assistance to make the integrations fit. Some counties still do double entry.
- Area 7 will be working to identify the needed information and reports for the new system (for example, Board needs, county and state needs)

#### Questions and Comments

- Spending money has become a performance measure of sorts, by the state. The state focuses on how many people were trained, but that does not tell the success of those people. The tracking system will answer some of those questions.
- Can we mandate the One-Stops to use the tracking system?
  - Yes, through the sub-grant agreement.

- A timeframe should be established for switching the accounting systems.
  - There has been discussion with the vendor about getting each county set up.

### **Fiscal Report**

Theo Adegboruwa gave an update of expenditures and provided a fiscal report. He reminded the counties that old money needs to be spent before new money is used.

Through the end of October 2009, 39% of stimulus Youth money has been spent. The goal is 70%. Good progress has been made spending the Dislocated Workers funds. There has been increased spending in all the funds since August.

### **Questions and Comments**

- Tony Quatman commented that Area 7 has gone from being active to very proactive over the last six years. We are trailblazing for the rest of the state with the tracking system. We are forming better relationships with the state through better communications. We have done a good job putting this software in place to become a better organization. We need to continue with diligence, patience, and a lot of effort to finalize the tracking system.

### **Guest Speaker**

Isaac Lee, of Defiance College, presented information about their work with the Northwest Ohio veterans. The college is looking for direction and financial support for a veterans outreach program. The program may offer some services that the state Veterans Administration office does not offer.

### **Committee Reports**

Tony Quatman mentioned there will be an Administrative Guideline (AG) read, and a vote on it after the consent agenda. The Finance Committee also has a couple of requests to present.

#### **Youth**

The committee approved a youth contract for the Northwest Ohio One-Stop system (Defiance, Fulton, Henry and Williams counties).

Student success stories that were provided by the state were discussed. Area 7 plans to send a notice to each county office requesting a couple of success stories.

Rocky Rockhold has agreed to be part of a legislative committee representing and sharing information about youth.

There was also discussion about creative funding sources and identifying sources to better serve youth. Martee will request a list of funding sources, and will maintain the list on the Area 7 website.

#### **Policy**

The committee discussed Board Item #12-02-2009-009: Policy P7-303: Procurement, and approved revisions, as discussed during the review of the consent agenda.

The definition of a public official (from Area 7 policy P7-103: Conflict of Interest) was added to policy P7-701: Glossary of Terms, as represented in Board Item #12-02-2009-008.

Item #12-02-2009-007 is a new policy, P7-509: Suitability for WIA Services. This policy establishes suitability for WIA core, intensive, and training services.

### Finance

The committee reviewed the budget numbers from the fiscal report, looking at each county's spending. It is easier to monitor the counties that have embraced the new tracking system. The committee asked Theo to contact counties to get their numbers turned in on time. There was discussion about counties having money spent by 12/31/09. An AG was written to clarify Area 7's expenditure policy.

There was discussion about hiring Theo Adegboruwa to work for Area 7 full time. Currently Theo is employed by Montgomery County and contracted to be the fiscal agent for Area 7. The Committee approved a motion for Tony Quatman and John Trott to negotiate with Montgomery County to hire Theo. The committee wants to form an ad hoc committee of fiscal staff from Area 7's counties and desires that a representative of that committee will attend Board meetings to provide reports. This will also help with future audits and to act as a check and balance for Theo.

John Trott stated that the AG is not a policy; it does not mandate anything that is not already in the Expenditure policy. It stresses to counties the importance of spending 100% of funds by December 31 of the second year.

---

### **Item #12-02-2009-01: Approve Board Minutes (October 7, 2009)**

WHEREAS, the Area 7 Board reviews all Board minutes;

NOW THEREFORE BE IT RESOLVED THAT, the Area 7 Workforce Investment Board approves the minutes from the October 7, 2009 Board meeting.

---

### **Item #12-02-2009-02: Approve Fiscal Report**

WHEREAS, the Area 7 Board reviews all Fiscal Reports;

NOW THEREFORE BE IT RESOLVED THAT, the Area 7 Workforce Investment Board approves the Fiscal report from the December 2, 2009 Board meetings.

---

### **Item #12-02-2009-03: Approve Policy Committee Minutes (October 7, 2009)**

WHEREAS, the Area 7 Board reviews all Policy Committee minutes;

NOW THEREFORE BE IT RESOLVED THAT the Area 7 Workforce Investment Board approves the Policy Committee minutes from the October 7, 2009 meeting.

---

**Item #12-02-2009-04 Approve Youth Committee Minutes (October 7, 2009)**

WHEREAS, the Area 7 Board reviews all committee minutes;

NOW THEREFORE BE IT RESOLVED THAT the Area 7 Workforce Investment Board approves the Youth Committee minutes from the October 7, 2009 meeting.

---

**Item #12-02-2009-05 Approve Finance Committee Minutes (October 7, 2009)**

WHEREAS, the Area 7 Board reviews all committee minutes;

NOW THEREFORE BE IT RESOLVED THAT the Area 7 Workforce Investment Board approves the Finance Committee minutes from the October 7, 2009 meeting.

---

**Item #12-02-2009-06: Approve Eligible Training Providers**

WHEREAS, WIA Section 117 (d) charges the Area 7 Board with responsibility for identifying eligible training providers, and;

WHEREAS, the Area 7 Board, through resolution, authorized the Executive Director to approve eligible training provider and program applications received from institutions that are recommended by the sub-grantees, and;

WHEREAS, beginning on September 30, 2009 through November 30, 2009 these recommended providers and programs were approved through the state's Eligible Training Provider Online (ETPO) system, as listed here:

<b>Provider Name</b>	<b>State</b>	<b>Recommending County</b>	<b># of Programs</b>
Career Step Online		Fayette	2
Foley Belsaw Institute	KS	Lawrence	1
Operator Training Committee of Ohio	OH	Greene	1
Simcom Training Center	FL	Clinton	1
Prestige Training Center		Huron	1
Unitek Education	NJ	Highland	3
Cleveland Institute of Healthcare	OH	Ashland	4
<b>Total # of Programs Added</b>			<b>13</b>

NOW THEREFORE BE IT RESOLVED THAT, upon recommendation of the Executive Director, the Area 7 Workforce Investment Board approves these eligible training providers and programs.

---

**Item #12-02-2009-07: Approve Policy P7-509: Suitability**

WHEREAS, the Area 7 Board wishes to define suitability for WIA services;

NOW THEREFORE BE IT RESOLVED THAT this policy has been developed, as follows:

<b>Policy number</b>	P7-509
<b>Subject</b>	Suitability for WIA Services
<b>This policy obsoletes</b>	None
<b>May apply for waiver</b>	Yes
<b>Board approved</b>	DRAFT
<b>Effective date</b>	DRAFT
<b>Revisions approved</b>	n/a

### **Purpose**

The purpose of this policy is to provide guidance for sub-grantees when determining a customer’s “need” for Workforce Investment Act (WIA) services. This policy is to be used in conjunction with WIA eligibility standards, including self-sufficiency for employed adults and family-sufficiency for customers seeking an Individual Training Account (ITA).

### **Background**

The Ohio Department of Job and Family Services (ODJFS) WIA Policy Letter No. 08-12.1: Suitability WIA mandates local Boards develop criteria for determining a customer’s suitability for WIA sequence of services, to be used. Area 7 policy P7-103: Conflict of Interest and ODJFS WIA Policy Letter Number 08-13: Serving Immediate Family Members, Close Acquaintances, and Other Stakeholders in WIA require customers and One-Stop staff to disclose close relationships upon a customer’s application for enrollment in the WIA program. Area 7 policy P7-502: Individual Training Accounts provides further guidance on customer suitability for ITAs.

### **Action**

“Suitable for WIA services” means a customer is eligible for the Adult, Dislocated Worker, or Youth WIA programs, **and** has been determined by a sub-grantee to be appropriate for the types of services offered by WIA.

### Unsuitable Customers

WIA is not an entitlement program. As such, some customers who apply for WIA will not be suitable for WIA services at the time of application, even if they are eligible. This may include a customer who:

- ◆ Is not seeking self-sufficient employment
- ◆ Is not seeking full-time employment
- ◆ Is already employed in a self-sufficient, in-demand career
- ◆ Unwilling to provide eligibility documentation, work with the case manager, complete required assessments or assignments, or comply with other WIA expectations

- ◆ Has a barrier significant enough to preclude the customer from actively preparing for employment or has a barrier that a job or training cannot solve. Some of these barriers include, but are not limited to:
  - Substance abuse with no treatment plan
  - Mental health issues with no treatment plan
  - Severe basic skills deficiencies
  - Multiple barriers such as involuntary homelessness, dependent care issues, transportation, chronic illness, etc. that prohibit the applicant from becoming employed

In most cases, but not all, these customers would likely be best served by referral to partner agencies to help them overcome basic need obstacles and become “WIA-ready”, meaning they would then be able to actively participate in their own employment preparation.

Suitable for Intensive Services

- ◆ Eligible for the Adult, Dislocated Worker, or Youth program
- ◆ Unable to obtain self-sufficient employment using core services
- ◆ WIA provides the most appropriate supports for the customer, compared to other partner agencies
- ◆ Has addressed barriers, or has a plan to address barriers
- ◆ Customer’s goals and career plan are consistent with WIA’s goals

Suitable for Training Services

- ◆ Unable to find self-sufficient employment using intensive services
- ◆ Has no marketable skills in a demand occupation
- ◆ Has at least the minimum skills and qualifications required to successfully complete the selected training program
- ◆ Has applied for financial aid, if available for the selected training program
- ◆ Is unable to obtain other grant assistance for training or requires assistance beyond the funding made available through other grant programs
- ◆ Has developed a career plan and, after training, will have the skills necessary to obtain career path employment

**Item #12-02-2009-08: Approve Policy P7-701: Glossary**

WHEREAS, the Area 7 Board wants to ensure uniform eligibility standards and for customers of our member counties, and;

WHEREAS, certain terms remain undefined by federal or state policy;

NOW THEREFORE BE IT RESOLVED THAT this policy has been developed, as follows:

<b>Policy number</b>	P7-701
<b>Subject</b>	Glossary of Terms
<b>This policy obsoletes</b>	None

<b>May apply for waiver</b>	Yes
<b>Board approved</b>	02/04/2009
<b>Effective date</b>	02/04/2009
<b>Revisions approved</b>	IN PROGRESS

## Purpose

The purpose of this policy is to define terms used in the operation of adult, dislocated worker, and youth Workforce Investment Act programs in Area 7's member counties.

## Background

Terms defined by this policy can be found in WIA Sections 101(9), 101(10), 134(d)(3-4); 20 CFR Part 664.205 and 664.210; as well as Preamble, Subpart A—One-Stop System, p. 49316 or are terms required or recommended by the state.

## Action

The following terms are defined as:

### Attachment to the workforce

Sufficient attachment to the workforce means that an individual who, at the time of application, worked at the same company or in the same occupation:

- ◆ 15 out of the last 26 weeks, or
- ◆ if a seasonal worker, 30 out of the last 52 weeks

### Demand occupation

An occupation may be determined "in-demand", thus eligible for training funds, if:

- ◆ the occupation is identified by the Bureau of Labor Statistics or other credible source, as determined by the sub-grantee, as having a surplus or future increase of job openings within commuting distance (or within reasonable commuting distance of participant's area of relocation)
- ◆ the applicant has a written guarantee of a job upon completion of training
- ◆ multiple job openings posted in local publications

### General announcement of facility closure

A media article or public notice documenting an employer's intent to close may serve as a general announcement, making the affected employees eligible dislocated workers.

### General economic conditions

"Unemployed as a result of general economic conditions" shall be defined as business lost due to one of the following reasons:

- ◆ the closure or substantial layoff of a primary supplier or customer affecting the self-employed applicant's products or services
- ◆ the occupation or product has lessened demand within the community

- ◆ declined profits significant enough to lead to closure, documented by most recent tax return or other company documents showing negative gains/losses statement
- ◆ natural disaster, as defined by State or federal declaration

Public Official

A public official is any person, paid or unpaid, who is elected or appointed to a full-time or part-time public position; or who is employed by a public agency in a full-time or part-time public job. For the purposes of [Area 7 policy P7-103: Conflict of Interest], this includes Area 7 Board members, sub-committee members, fiscal staff, administrative staff, sub-grantees, and sub-grantee staff.

Substantial Layoff

A substantial layoff is the reduction in force which results in an employment loss at a single site of employment during any 60-day period of one or more of the following:

- ◆ at least 20% of the full-time employees
- ◆ at least 50 full-time employees
- ◆ a combination of more than 25 full-time and 50 part-time employees
- ◆ an entire shift/line

Unlikely to return to previous occupation or industry

An applicant may be considered unlikely to return to their previous occupation or industry if the individual falls into one of the following categories:

- ◆ is able to work but is no longer able to perform the essential functions or duties of the occupation
- ◆ was employed in an occupation no longer considered in-demand
- ◆ is a seasonal worker, but there is a documentable reason to believe the job will not be available to the worker next year

**Item #12-02-2009-09: Approve Revisions to Policy P7-303: Procurement**

WHEREAS, the Area 7 Workforce Investment Board wishes to update its procurement policy;

NOW THEREFORE BE IT RESOLVED THAT policy P7-302: Procurement has been developed as follows:

<b>Policy number</b>	P7-303
<b>Subject</b>	Procurement
<b>This policy obsoletes</b>	None
<b>May apply for waiver</b>	No
<b>Board approved</b>	7 December 2006
<b>Effective date</b>	7 December 2006
<b>Revisions approved</b>	REVISION IN PROGRESS

## Purpose

All procurement transactions of the Area 7 Workforce Investment Board (WIB) and sub-grantees shall be conducted in a manner that provides, to the maximum extent possible, opportunity for free and open competition. Policies and procedures governing procurement shall ensure that all goods and services are obtained in an effective and efficient manner, which is consistent with the provisions of applicable federal, state, and local laws, rules, and regulations.

## Background

All items purchased with WIA funds will use the State and local procurement procedures and abide by the procurement provisions included in the Office of Management and Budget (OMB) Circular A-102, "Grants and Cooperative Agreements with State and Local Governments," as codified in the DOL Regulations, Common Rule 29 CFR 97.36 (WIA procurement standard); OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments"; OMB Circular A-21, "Cost Principles for Educational Institutions" OMB Circular A-122, "Cost Principles for Non-Profit Organizations" and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Procurement activities will be in compliance with Ohio Revised Code, Sections 307.86, 307.87, 307.88, 4115.34, 5705.41(D) and 5719.042 and all applicable OAC citations issued by the Ohio Department of Job and Family Services (ODJFS) or other state WIA funding agencies. Workforce Investment agencies and sub-contractors will follow the OMB circulars governing their agency structure and the Ohio Revised Code (ORC), the more stringent of the applicable circulars, or the ORC will prevail when more than one applies.

Area 7 policy P7-103: Conflict of Interest sets forth guidelines for Area 7 Board members, staff, and sub-grantee staff on procurement of public contracts, restrictions on nepotism, and general standards of ethical conduct. Ohio Ethics Law and Ohio Administrative Code (OAC) 5101:9-31-01(Q) establishes the general requirements for use and expenditures of WIA funds by local areas. 29 CFR 97.36 (b)(3) requires grantees and sub-grantees to maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts.

The U.S. General Services Administration defines contracting techniques.

## Action

### DEFINITIONS

- A. Award** – A contract, grant sub-contract, sub-contract, sub-grant, or other type of legal instrument
- B. Awardees** - Any of the entities receiving the award, such as contractors or grantees
- C. Cost-Reimbursement Contracting** – A type of acquisition technique that provides for payment of allowable incurred costs, to the extent prescribed in the contract. These contracts establish an estimate of total cost for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed (except at its own risk) without the approval of the contracting officer

- D. Firm-Fixed-Price Contracting** – A type of acquisition technique that provides for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon the contracting parties
- E. Immediate Family Member** - Includes a spouse, son, son-in-law, daughter, daughter-in-law, mother, mother-in-law, father, father-in-law, brother, brother-in-law, sister, sister-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparent, and/or grandchild
- F. Performance-Based Acquisition** (formerly "Performance-Based Contracting") - A technique for structuring all aspects of an acquisition around the purpose and outcome desired as opposed to the process by which the work is to be performed (i.e. results-driven)
- G. Procurement** - The process which leads to any award of WIA Title I funds
- H. Request for Proposal (RFP)** - Purchases for services for \$100,000 or more, unless the local policy is more restrictive and can be awarded based not only on price, but also to the firm whose proposal is most advantageous to the program
- I. Request for Quote (RFQ)** - Purchases for services less than \$100,000, usually requiring a minimum of three quotes; can be awarded primarily on the basis of price and quality
- J. Service Provider** - Any public agency, private nonprofit organization, or private-for-profit entity that delivers core and/or intensive and/or training services to WIA participants, with the exception of an ITA. Awards to service providers may be made by contract, sub-contract, or other legal agreement
- K. Sub-grantee** - Any member county of Area 7
- L. Sub-recipient** - The legal entity to which an award is made and accountable for the use of the WIA funds. For WIA purposes, distinguishing characteristics of a sub-recipient include items such as determining eligibility of applicants, enrollment of participants, performance measured against meeting the objectives of the program, responsibility for programmatic decision-making, responsibility for compliance with program requirements, and use of the funds awarded to carry out a WIA program or project. Service Providers are considered sub-recipients and not vendors
- M. Vendor** – An entity, such as a training provider, offering a standard published price for the general public
- N. Youth Service Provider** - An entity or individual identified by the Area 7 WIB and sub-grantees in accordance with Section 123 of WIA to provide and/or deliver youth activities and/or services

## MINIMUM STANDARDS

### **A. Code of Conduct**

#### 1. Area 7 Conflicts of Interest

No member of the Area 7 Board or Youth Committee shall cast a vote on, or participate in, any decision-making capacity on the provision of WIA Title I programs/services or Area 7 matters that provide a direct or apparent financial benefit to said member, business partner, or an immediate family member or the member's agency or organization.

When said member abstains from voting due to a conflict of interest or potential conflict of interest, the Area 7 minutes shall both reflect the abstention and the rationale for the abstention.

#### 2. Staff Conflicts of Interest

No individual in a decision-making capacity shall engage in any activity, including participation in the selection, award, or administration of a contract agreement supported by WIA funds if a conflict of interest or the appearance of a conflict of interest exists.

A conflict of interest would arise when said individual, an immediate family member or business partner(s) is employed or about to gain employment with an organization selected for the award of a contract agreement supported by WIA Title I funds.

### **B. Drug-Free Workplace**

The Area 7 WIB and sub-grantees will comply with the Drug-Free Workplace Act of 1988, codified at 29 CFR Part 98.

### **C. Competition**

The Area 7 WIB and sub-grantees shall conduct all procurement to ensure that free and open competition exists.

#### 1. Free and Open Competition

All contracts must be performance-based, firm-fixed-price, or cost reimbursement-based. To promote free and open competition, the Area 7 WIB and sub-grantees shall ensure that all transactions will be free and open, and shall not:

- a. Place unreasonable requirements on firms and organizations in order for them to qualify to do business and/or provide services
- b. Require unnecessary experience or excessive bonding
- c. Engage in noncompetitive pricing practices between firms or organizations or between affiliated companies or organizations
- d. Engage in noncompetitive awards to consultants that are on retainer contracts
- e. Participate in organizational conflicts of interest
- f. Specify only a "brand name" product instead of allowing "an equal" product to be offered;
- g. Create overly restrictive specifications

- h. Include any arbitrary action in the procurement process

## 2. RFP Solicitations

The Area 7 WIB and sub-grantees will:

- a. Solicit offers by disseminating a Request for Proposals (RFP) or to an adequate number of qualified sources to ensure competition (generally, sources included on the sub-grantees RFP mailing list) and advertising in one or more newspapers designed to reach service providers
- b. Ensure that each RFP includes a Statement of Work or Specifications, including a description of the requirements for time, place, and methods for the performance of the service
- c. Ensure that each RFP includes the deadline date and time the proposal must be submitted and that all proposals received are stamped with the date and time the original proposal was received
- d. Ensure that each RFP requires a line item budget
- e. Ensure that each RFP describes the solicitation process, including provisions for protest or appeal of the final award
- f. Ensure that changing the service provider cannot effect the current active clients from participating in the program, by ensuring the new service provider factors in the additional cost of transferring and serving the incumbent provider's customers when submitting their proposal
- g. Ensure that each RFP identifies all significant evaluation or rating factors and the relative importance of each factor
- h. Ensure that the evaluation factors include minimum thresholds that, if not met, require disqualification
- i. Negotiate with any or all bidders determined through the rating process to be responsive and advantageous to the program, and to notify unsuccessful bidders in a reasonable amount of time
- j. Pending successful contract negotiation and available funding, award a contract to the bidder(s) who is/are successful

## 3. RFP/RFQ Mailing List(s)

The Area 7 WIB and sub-grantees shall ensure that all qualified lists of persons, firms, or other organizations used in acquiring services are current and include sufficient numbers of qualified sources to ensure maximum open and free competition.

## REASONABLENESS OF COST

### **A. Determination Required**

Documentation of cost reasonableness is required for every procurement action, including contract modifications (except for modifications where a determination has been made that planned modifications do not have a monetary effect). Acceptable methods of documenting cost reasonableness are price analysis and cost analysis. In addition to other evaluation factors used for price or cost analysis, where applicable, the Area 7 WIB and sub-grantees shall obtain independent estimates prior to soliciting for goods and/or services.

## **B. Price Analysis**

1. Price analysis is the process of examining and evaluating a price, without looking at the estimated cost elements and proposed profit of the offer or whose price is being evaluated.
2. Price analysis will be performed on every procurement action.
3. Price analysis techniques shall include:
  - a. Comparison of proposed prices with independent estimates of cost developed by the Area 7 sub-grantees;
  - b. Comparison of competitive price quotations;
  - c. Comparison of prior quotations and contracts with current quotations for the same or similar items;
  - d. Use of yardsticks or parametric relationships to point out apparent gross differences (e.g., dollars per placement, price per instruction hour, price per participant training hour, etc.)
  - e. Comparison of prices on published price lists with published market prices of commodities, including discount or rebate schedules.

## **C. Cost Analysis**

1. Cost analysis is the review and evaluation, element by element, of the cost estimate supporting a company's proposal for the purpose of pricing a contract.
2. A cost analysis is necessary when the proposer is required to submit the elements of the estimated cost, when adequate price competition is lacking, and for sole-source procurements, including contract modifications (except for modifications where a determination has been made that proposed modifications do not have a monetary effect), unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. Cost analysis includes evaluation of:
  - a. The supporting data submitted by the proposer
  - b. The cost elements
  - c. The factors the proposer considered in developing the estimated cost of performing the specified work

## **D. Profit or Program Income**

1. If profit or program income is included in the price, the Area 7 WIB and sub-grantees shall negotiate profit or program income as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is required.
2. To establish a fair and reasonable profit, consideration shall be given to:
  - a. The complexity of the work to be performed
  - b. The risk borne by the contractor
  - c. The contractor's investment
  - d. The amount of subcontracting
  - e. The quality of the contractor's past performance
  - f. Industry profit rates in the surrounding geographical area for similar work
  - g. Market conditions in the surrounding geographical area

3. Program income earned by the contractor must be reported to the agency issuing the contract along with a plan of how it will be expended for program activities. Program income must be spent for program activities only. The requirements governing the use of program income are found at 29 CFR 95.24 (non-governmental) and 29 CFR 97.25 (governmental). The WIA regulations at 667.200(a) (5) require the “addition method” to be used to account for program income, as does Part 95.

## SELECTION OF SERVICE PROVIDERS

### **A. Demonstrated Effectiveness**

Service providers for services under WIA Title I will be selected competitively on the basis of their demonstrated ability to effectively deliver the services required.

1. Determination of Program Effectiveness

A proposer’s demonstrated ability to effectively deliver the services required in the RFP/RFQ will be in writing and completed prior to the award of a grant, sub-grant, contract, or subcontract. A copy of this determination will be placed in the procurement file.

2. Administrative Funds

The Area 7 WIB and sub-grantees will ensure that, for all services provided to participants through contracts, grants, or other agreements with a service provider, such contract, grant, or agreement shall include appropriate amounts necessary for administration. Administrative costs must be accurately identified in all contracts.

Examples of administrative costs include:

- ◆ Accounting
- ◆ Some indirect costs (e.g. shared costs)
- ◆ Management Information Systems (MIS)
- ◆ Management or Director’s time devoted to project
- ◆ Any other non-program personnel

3. Duplication of Services

WIA Title I funds will not be used to duplicate facilities or services available (with or without reimbursement) from Federal, State, or local sources unless it is demonstrated in writing that alternative facilities or services would be more effective or more likely to achieve Local Workforce Area # 7’s performance goals.

### **B. Youth Service Provider Selection**

The competitive process outlined in this policy will be used to select all Youth service providers. Requests for proposals (RFP) for youth programs must be conducted by regional One-Stop systems, in accordance with the following steps, as described in Area 7 administrative guideline AG-601: Regional Youth RFPs:

1. Select a regional RFP team
2. Develop the RFP, which must include the required youth elements
3. Prepare a timeline of the RFP process, which should provide advertising at least 21 days prior to the bid deadline and offers a bidders’ conference

4. Publish public notices throughout the region
5. Conduct bidder conferences, if needed
6. Date stamp bids and open envelopes publicly
7. Select a rating team, which should exclude One-Stop staff members when possible
8. Conduct a training session for the rating team
9. Compile rating scores
10. RFP team will recommend providers, based on results of the rating process
11. Conduct price and cost analysis
12. Forward recommendations to the Area 7 Youth Committee according to Area 7 administrative guideline AG-802: Youth Provider Approval Process
13. Regional One-Stop system will notify the approved providers and negotiate contracts

All of the above steps must be documented and a file maintained by each sub-grantee in the regional One-Stop system for auditing and monitoring purposes.

Note: The \$100,000 minimum is not applicable for youth procurement.

### **C. Adult and Dislocated Worker Services Provider Selection**

The Area 7 WIB and sub-grantees will seek all Adult and Dislocated Worker service providers for core and intensive services through the competitive process outlined in this policy.

### **DOCUMENTATION**

Procurement files shall be maintained for each procurement action. Procurement files shall contain, if applicable, the following general procurement items:

- a. Justification for the type of procurement method used
- b. The price and cost analysis performed, including the independent estimates made by the grant recipient prior to receiving bids
- c. Copies of each proposal solicitation issued, including all evaluation factors
- d. Copies of advertisements announcing procurement actions
- e. Copies of all proposals received
- f. Summary of any negotiations, including changes made to the curriculum, duration, technical requirements (such as instructor qualifications), or outcomes
- g. Summary of the negotiations establishing fair and reasonable profit or program income
- h. Copy of the evaluation results of the proposals received
- h. Justification of the sound business reasons for rejecting any proposals
- i. The original RFP and RFQ
- j. The demonstrated ability of service providers to effectively deliver the services required

---

**Motion to approve the consent agenda:** Chuck Dyar

**Second:** Bill Lukens

**All approved, motion is passed**

---

**Item #12-02-2010-10: Resolution to Approve Youth Providers**

WHEREAS, WIA Section 117(h) (4)(B)(i) charges Area 7 Youth Committee with the responsibility of recommending eligible providers of youth activities, to be awarded grants or contracts on a competitive basis by the local board to carry out the youth activities, and;

WHEREAS, WIA Section 117 (d)(2)(B) charges Area 7 Board with responsibility for identifying eligible providers of youth activities in the local area by awarding grants or contracts on a competitive basis, based on the recommendation of the Youth Committee, and;

WHEREAS, the Area 7 Youth Committee has received TWO (2) providers recommended by the sub-grantee boards, and;

WHEREAS, the Area 7 Youth Committee has reviewed and recommends approval of Youth Providers listed on attachment A;

NOW THEREFORE BE IT RESOLVED THAT, the Area 7 Workforce Investment Board recommends approval and renewal of these youth providers.



# Youth Provider Reporting Form

*By completing and submitting this form, I certify that the recommendations regarding this system's youth providers were decided upon only after a fair, open, and competitive process, which was compliant with all applicable federal, state, and local laws and regulations.*

System Name	Northwest	Date of Report	December 1, 2009
Contact Name	Cindy Thatcher	Phone Number	419-782-3881

Provider Name Address Phone Number	Counties to be Served	Elements to be Provided (Place an "X" in applicable cells by double-clicking.)										Contract Dates	Amount of Contract	Rationale	Selection (approval) or Rejection (denial) or Renewal	Comments
		Adult Mentoring	Alternative School Services	Comprehensive Guidance	Follow-up	Leadership	Occupational Training	Summer Employment	Supportive Services	Tutoring	Work Experience					
JobWorks 201 E. Rudisill Blvd. Ft. Wayne, IN 46806 260-745-2000	Fulton, Henry, Defiance, Williams	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	01/01/10S tarting date through 12/31/10	\$225709	Cost per youth \$1335.56 # of Youth #169	Selection	Reporting information for the system and each county will enter into a separate contract.
JobWorks 201 e. Rudisill Blvd. Ft. Wayne, IN 46806 260-745-2000	Fulton, Henry, Defiance, Williams	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	01/01/10 through 12/31/10	\$174290	Cost per youth \$2125. # of Youth #82	Selection	Each county will enter into separate contracts here also.

...CONTINUED: Youth Provider Reporting Form

Four County Career Center 22-900 SR 34 Archbold, OH 43502	Fulton, Henry, Defiance, Williams	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	01/01/10  Through  12/31/10	\$159272	Cost per youth	Rejection													
		<b>\$ 1772</b>																										
		# of Youth	<b>#120</b>																									
Four County Career Center 22-900 SR 34 Archbold, OH 43502	Fulton, Henry, Defiance, Williams	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	01/01/10  Through  12/31/10	\$166006	Cost per youth	Rejection													
		<b>\$ 2071</b>																										
		# of Youth	<b>#80</b>																									
														# of Youth	<b>#0</b>													

Resolution #12-02-2009-10: Youth Provider for Northwest system. The Youth Committee recommends approval of Job Works, from Ft. Wayne, Indiana, effective January 1, 2010.

**Motion to approve youth providers:** Chuck Feicht

**Second:** John Bridenbaugh

**All approved, motion is passed**

---

AG-304b: Clarification on Area 7 Policy P7-304: Annual Expenditure Requirement (70%)

Area 7 policy P7-304: Annual Expenditure Requirements (70%) mandates that Sub-Grantees expend at least seventy percent of Adult, Dislocated Worker, and Youth formula funds by June 30 of each year. Only thirty percent (30%) of each funding stream may be carried forward beyond June 30 (the end of Year 1 of the funding lifecycle).

Policy P7-304 also encourages Sub-Grantees to voluntarily release funds they anticipate will remain unexpended by March 31 of Year 1 of the funding lifecycle.

The Area 7 Board regards it as **critical** that one hundred percent (100%) of all carry forward funds be fully expended by December 31 of the second year (Year 2) of the funding lifecycle. Counties are strongly encouraged to apply any expenses against available balances in old funding streams prior to applying the expenses to new funding streams. If necessary, please recode expenses against older funds.

Contact Theo Adegboruwa for any questions or for assistance with recoding.

**Motion to approve AG7-304b for 2nd annual expenditure requirements:** Bill Lukens

**Second:** Bob Talcott

**All approved, motion is passed**

---

**Motion to adjourn to Executive Session to discuss personnel matters:** Chuck Dyar

**Second:** Chuck Feicht

**All approved, motion is passed**

---

**Motion to reconvene general session:** Chuck Dyar

**Second:** Chuck Feicht

**All approved, motion is passed**

---

**Motion that Executive Director and President be authorized to negotiate with Montgomery County to pursue employment of Theo Adegboruwa for full time employment:** Chuck Dyar

**Second:** Chuck Feicht

**All approved, motion is passed**

---

**Motion to adjourn:** Chuck Dyar

**Second:** Chuck Feicht

**All approved, motion is passed**