



RIVERSIDE COUNTY
WORKFORCE DEVELOPMENT BOARD
Firewall and Internal Controls
POLICY

Date: November 4, 2024

Number: 10-17

PURPOSE:

On behalf of the Riverside County Workforce Development Board (WDB), the Riverside County Housing and Workforce Solutions-Workforce Development Division (HWS/WDD) establishes policy to clearly define firewalls and internal controls between the WDB, HWS/WDD as the America's Job Center of California Career Services Provider of Adult and Dislocated Worker programs, the AJCC One-Stop Operator, the HWS/WDD Administration Unit and Fiscal Agent in order to comply with federal, state, and local laws and regulations.

EFFECTIVE DATE:

Upon release

REFERENCES:

- Workforce Innovation and Opportunity Act (WIOA) [Public Law](#) (113-128) Sections 107, 108, 129, and 184
- [Title 2 Code of Federal Regulations \(CFR\) Part 200](#): "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"
- [Title 2 CFR Part 2900](#): "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Department of Labor [DOL] Exceptions)
- [Title 20 CFR WIOA Part 678](#): Description of the One-Stop Delivery System Under Title I of the Workforce Innovation and Opportunity Act
- [Title 20 CFR WIOA Part 679](#): Statewide and Local Governance of the Workforce Development System Under Title I of the Workforce Innovation and Opportunity Act
- [Title 20 CFR WIOA Part 683.200, 683.400, 683.410, 683.430](#): Administrative Provisions Under Title I of the Workforce Innovation and Opportunity Act
- Department of General Services (DGS) [State Contracting Manual](#) (January 2018)
- Training and Employment Guidance Letter ([TEGL](#)) [15-16](#), *Competitive Selection of One-Stop Operators* (January 17, 2017)
- Workforce Services Directive (WSD) [WSD22-13](#): Selection of AJCC Operators and Career Services Providers (May 1, 2023)
- Workforce Services Directive (WSD) [WSD22-02](#): Standards for Oversight and Instruction for Substate Monitoring (July 27, 2022)
- Workforce Services Directive (WSD) [WSD21-03](#): Eligible Training Provider List (ETPL) Policy and Procedures (November 10, 2021)
- Workforce Services Directive (WSD) [WSD18-16](#): Guidance of Regional Awards (June 21, 2019)
- Workforce Services Directive (WSD) [WSD17-08](#): Procurement of Equipment and Related Services (March 14, 2018)

- Workforce Services Directive (WSD) [WSD17-05](#): Oversight and Monitoring of Nondiscrimination and EO Procedures (August 29, 2017)
- Workforce Services Directive (WSD) [WSD17-01](#): Nondiscrimination and Equal Opportunity Procedures (August 1, 2017)
- Workforce Services Information Notice (WSIN) [WSIN 20-27](#): CA ETPL Subsequent Eligibility Review 2020 (November 20, 2020)
- WDB Procurement Standards Policy [#18-01](#)

LOCALLY IMPOSED REQUIREMENTS:

Bold, italicized

BACKGROUND:

HWS/WDD is committed to maintaining the highest 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 (Uniform Guidance Section 200.318[c][1]).

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 (Title 20 CFR 678.625).

Administrative Entity – A unit of local government, corporation, or agency designated by a Chief Elected Official (CEO) to oversee and administer WIOA in the Local Area.

Internal Control – A process designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) Effectiveness of operation, (b) Reliability of reporting for internal and external use, (c) Compliance and applicable laws and regulations (Uniform Guidance Section 200.303).

POLICY & PROCEDURES:

The HWS/WDD, acting as the Career Service Provider, Fiscal Agent, Administrative entity and Coordinator to the WDB, 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. All other service providers, subrecipients, contractors must also comply with items deemed a conflict of interest and acknowledge those requirements in signing and executing agreements with HWS/WDD.

I. AJCC One-Stop Operator

The WDB shall select the AJCC One-Stop Operator through a competitive process at least once every four years (WIOA Section 121[d][2][A]), however ***HWS/WDD has established a local area preference to conduct competitive procurement once every three years to select a AJCC One-Stop Operator.***

The HWS/WDD shall ensure that, in carrying out WIOA programs and activities, the AJCC One-Stop Operator adhere to the following (Title 20 CFR Section 678.600):

1. Disclose any potential conflicts of interest arising from the relations of the AJCC One-Stop Operator with training service providers or other service providers in accordance with Uniform Guidance Section 200.318.
2. Do 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.

3. Comply with federal regulations and procurement policies relating to the calculation and use of profits as outlined in Uniform Guidance.
4. Coordinates the service delivery of required AJCC partners and service providers.
5. Ensures the implementation of partner responsibilities and contributions agreed upon in the AJCC partners' Memorandum of Understanding (MOU).
6. Adhere to any applicable firewalls or internal controls.

II. Title I Dislocated Worker and Adult Career Service Provider

WIOA allows Local Workforce Development Boards (Local Boards) to request approval to become an Adult and Dislocated Worker Career Services Provider with the agreement of the Chief Elected Official and the Chairperson of the Workforce Development Board.

HWS/WDD, as the designated Title I Adult and Dislocated Worker Services Provider responsibilities include:

1. Provide basic career services, including but not limited to participant intake, orientation, initial assessments, employment services, and referrals to other partners and services.
2. Provide individualized direct services including but not limited to comprehensive and specialized assessments, case management, individual employment plans, career planning and vocational counseling.
3. Manage the shared operation of the AJCC Career Resource Areas with the on-site partners and participate in partner meetings and trainings coordinated by the AJCC One-Stop Operator.
4. Report to the WDB on operations, performance and continuous improvement recommendations.
5. Implement local WDB policies and procedures.
6. Adhere to all applicable federal, state and local guidance.

III. Title I Youth Service Providers

HWS/WDD conducts competitive procurement once every three years to select Title I Youth Service Providers. Detailed requirements for youth service providers are memorialized in both procurement and agreement documents. Section 129 (c)(1) of the WIOA states that funds allocated to youth service providers shall be used for the program design.

Title I Youth Service Providers responsibilities include:

1. Provide an objective assessment of the academic level, skill levels, and service needs of each participant, which assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes, supportive service needs, and development needs of such participants.
2. Develop service strategies for each participant that shall identify career pathways that include education and employment goals, appropriate achievement objectives, and appropriate services for the participant considering the assessment conducted.
3. Report to the WDB through the HWS/WDD on operations, performance and continuous improvement recommendations.
4. Provide the following:
 - a. Activities and service strategies leading to the attainment of a secondary diploma or its recognized equivalent or a recognized postsecondary credential.
 - b. Preparation of postsecondary educational and training opportunities.
 - c. Strong linkages between academic learning and occupational learning;
 - d. Preparation for unsubsidized employment and opportunities.
 - e. Effective connections to intermediaries with strong links to the job market and local, regional employers.

Youth service providers at a minimum must make available the fourteen (14) required services to all youth per Section 129 (c)(2) of the WIOA. If the youth service provider does not directly provide the services listed, it must make seamless referrals to appropriate providers of such services.

1. Tutoring, study skills training, instruction, and dropout prevention strategies that lead to completion of a high school diploma or a recognized equivalent.
2. Alternative secondary school services or dropout recovery services.
3. Paid and unpaid work experiences including summer employment and other employment opportunities available throughout the school year, pre-apprenticeship programs, internships and job shadowing, and on-the-job training.
4. Occupational skills and training as organized program of study that provides specific vocational skills that lead to proficiency in performing actual tasks and technical functions required by certain occupational fields at entry, intermediate, or advanced levels.
5. Education offered concurrently with workforce preparation and training for a specific occupation;
6. Leadership development opportunities that encourage responsibility, confidence, employability, self-determination, and other positive social behaviors.
7. Support Services that enable an individual to participate in WIOA activities (such as, but not limited to, assistance with transportation, childcare, housing, health care, educational testing, and work-related tools).
8. Adult Mentoring (a formal relationship between a youth participant and an adult mentor that includes structured activities where the mentor offers guidance, support, and encouragement to develop the competence and character of the mentee).
9. Follow-up services to help ensure that youth are successful in employment and/or postsecondary education and training.
10. Comprehensive guidance and counseling to include substance and alcohol abuse counseling, mental health counseling, and referral to partner programs.
11. Financial literacy education activities that provide youth with the knowledge and skills that they need to achieve long-term financial stability.
12. Entrepreneurial skills training that provides the basics of starting and operating a small business.
13. Services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area and includes career awareness, career counseling, and career exploration services.
14. Postsecondary preparation and transition activities to include helping youth explore postsecondary education options, including technical training schools, community colleges, 4-year colleges and universities, and Registered Apprenticeship programs.

IV. Fiscal Agent

HWS/WDD is the fiscal agent for WIOA grants and programs. Duties include, but are not limited to:

1. Review and process all WIOA related invoices and payroll.
2. Processing accounts receivable payments (including debt collection) and responsible for drawing down funds from the State of California.
3. Provide monthly and quarterly expenditure and accrual reporting to local and state entities per WIOA regulations to ensure HWS/WDD is meeting the thirty percent (30%) WIOA training expenditure requirement.
4. Maintain HWS/WDD's Property Management Log, Capital Asset List and Record Retention Schedule.
5. Maintain proper accounting records and adequate documentation.
6. Respond to financial audits and fiscal and procurement compliance requests by local, state, and federal entities.
7. Provide technical assistance to subrecipients regarding fiscal issues.
8. Adhere to all federal, state and county regulations and policies.

V. Administrative Unit

The HWS/WDD administrative unit duties include, but are not limited to, the following:

1. Conduct procurement for WIOA services and equipment in coordination with the County's Purchasing Department (including requesting State approvals) if applicable, while adhering to conflict of interest policy.

2. Negotiate and write contracts with subrecipients, service providers, vendors, and contractors ensuring the scope of services align with requirements set forth in WIOA law and local WDB policies during the negotiation process.
3. Process amendments to contracts and agreements in coordination with the County's Purchasing Department when needed.
4. Provide technical assistance and monitor all subrecipients, contractors, training providers, vendors, and internal WIOA program operations and fiscal and procurement activities, to ensure compliance with the County's contracts, local, state and federal regulations.
5. Assist with local, state, and federal monitoring requests and responds to monitoring reports as needed.
6. Process the WIOA Subgrant Agreement and modifications between the State of California and the HWS/WDD.
7. Leads policy and procedure development and oversight in alignment with WIOA, federal, state and local requirements. Thereby, ensuring all local policies and procedures are updated and communicated to all AJCC staff, partners, service providers, subrecipients, contractors and the AJCC One-Stop Operator.
8. Provide oversight and approval of AJCC supplies.
9. Manages the WIOA Partner MOU/MOUs/MOAs, lease and sublease agreements.
10. Responds to Public Records Act requests.
11. Regional Projects and Special Grants Coordinator.
12. Safety and American with Disabilities (ADA) Coordinator.
13. Equal Opportunity Officer (EOO).
14. Eligible Training Provider List (ETPL) Coordinator who qualifies vocational training providers to be added or remain on the California ETPL following local, state, and federal guidelines and policies.
15. The Management Information Systems (MIS) and CalJOBS Administrator:
 - a. Supports all grants/programs by reporting data to the State and WDB.
 - b. Provides on-going CalJOBS user support, training and technical assistance to the career services provider, all contractors, and subrecipients.
 - c. Submits accurate individual participant data to the State's Employment Development Department on a monthly basis.
 - d. Analyzes participant data from service providers and subcontractors for accurate reporting.
 - e. Assists in the development of best practices for full MIS implementation.
 - f. Assists with data collection and research for grant applications and planning documents.
 - g. Creates quarterly reports documenting state and local progress toward meeting negotiated performance levels.
 - h. Validates and corrects data in the CalJOBS system as necessary.
 - f. Ensures supporting documentation and records (personally identifiable information) are safeguarded per local, state, and federal requirements.
 - g. Responsible for issuing and terminating AJCC CalJOBS user identifications.

VI. HWS/WDD-WDB Coordinator

The WDB coordinator is responsible for the communication and scheduling between HWS/WDD and the WDB and the following:

1. Acts as liaison between the WDB and HWS/WDD.
2. Organizes and attends all WDB board meetings; develops agendas, writes meeting minutes and reports, and posts to rivcoworkforce.org.
3. Coordinates efforts between education, industry, economic development, labor unions and community-based organizations.
4. Assist and support WDB and staff as liaison for any necessary document related to grant applications, state reports, and local and regional plans, as required by the California Workforce Development Board.
5. Ensures that all necessary local policies are circulated to the WDB.
6. Assist in policy development as needed.

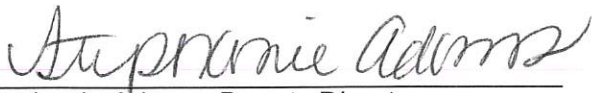
VII. Firewall Guidelines

1. The appropriate role of the HWS/WDD as the fiscal agent is limited to accounting and funds management functions rather than policy or service delivery as per Title 2 CFR § 679.420.
2. HWS/WDD's Administrative Unit must maintain a separation of duties and responsibilities to avoid conflict of interest by maintaining a virtual and/or physical firewall and shall 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, in addition to restricting access of physical and electronic information.
3. A firewall shall be maintained between the HWS/WDD Administration Unit and the Title I Dislocated and Adult Services provider (HWS/WDD Career Service) as if they were any other contracted subrecipient, service provider, or contractor. Firewalls guarantee separate reporting and monitoring relationships, functions, and avoid the perception of conflict of interest. HWS/WDD staff functions/roles are shared only where explicitly defined in WIOA law, regulations or operating guidance.
4. HWS/WDD Career Service staff as the provider of Title I, Dislocated Worker and Adult Services shall maintain a virtual and/or physical firewall with the HWS/WDD Administration Unit by directing all program operations matters such as, WIOA eligibility, jobseekers' questions, business services, provider or training complaints, training questions, disputed training dollar amounts, support services, policies, procedures and knowledge management, or any other program related questions, to their supervisors and/or regional managers for assistance. The firewall does not prohibit staff, supervisors and/or regional managers from reporting any concerns or issues relating to conflicts of interest, ADA, Equal Employment Opportunity/Non-discrimination issues, or other complaints as required by policy to HWS/WDD Administration staff. Supervisors and/or regional managers may also request technical assistance from the HWS/WDD Administration staff.
5. Subrecipients providing Title I, Youth Direct Services will report any concerns or issues relating to conflicts of interest to their agency in accordance with the provisions and requirements of their WIOA agreement(s). Should the youth provider(s) need further clarification and assistance they shall contact the WIOA Youth Coordinator in the HWS/WDD administrative unit for technical assistance.
6. Members of the WDB, as public officials shall be fully subject to any and all provisions of conflict of interest law, whether federal, state or local and as such, are required to recuse themselves from any vote where a conflict of interest exists. In accordance with the WDB Bylaws, a member of the WDB may not (1) vote on a matter under consideration by the local board (A) regarding the provision of services by such member (or by an entity the member represents); or (B) that would provide direct financial benefit to such member; or (2) engage in any other activity determined by the Governor to constitute a conflict of interest per the State Plan (WIOA §107(h)). In the event of a conflict of interest with the WDB, such person will not be involved in any selection process, meetings or discussions.
7. All instances of conflict of interest or a perceived conflict, shall be disclosed to the WDB Chair and Vice Chair prior to the member participating in the scheduled WDB meeting. In the event the conflict involves the WDB Chair, the WDB Coordinator and/or Director of Workforce Development will communicate with the WDB Vice Chair or other WDB Executive Committee members to remove all potential, perceived, indirect or direct conflicts of interest and arrange for the members' recusal from the meeting and if necessary, rescheduling of the meeting.
8. In the event a 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 WDB Executive Committee meeting, the item will be included on the WDB agenda at a subsequent meeting. If there is an instance where the 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.
9. Members of the WDB shall comply with the following County of Riverside, Board of Supervisors and HWS/WDD Policies:

- a. Standards of Ethical Conduct to Address Fraud, Waste and Abuse [C-35](#);
- b. Ethics Training for Local Officials [A-60](#);
- c. HWS/WDD Code of Conduct, Conflict of Interest and Nepotism Policy [#19-22](#).

REVISION HISTORY:

Revision Dates: 11/04/2024
Original Policy Date: 04/13/2020



Stephanie Adams, Deputy Director