

## Attachment 8

### St. Louis County Human Services Workforce Development Firewall Policy

If the St. Louis County WDB procures the services of an entity that fulfills two or more of the functions of the One Stop Operator; Career Services provider, Youth Services provider, and Training Services Provider. The CEO determines whether to designate the Local Fiscal Agent (LFA) (if one is used) to be the WDB itself or an entity that is already serving the WDB in other capacities.

This Policy, has local discretion and flexibility, and describes the circumstances whereby an entity may contract with St. Louis County's WDB to provide two or more of the services mentioned above. It includes guidance from the Workforce Innovation and Opportunities Act (WIOA), the implementing regulations, federal policy on "full and open competition," and DWD policy on conflicts of interest that could result from multitasking.

St. Louis County WDB chooses its staffing entity at its own discretion using a competitive human resources process. Neither St. Louis County WDB staff, an OSO, nor any other services provider, may *manage* a services competition (drafting proposal specifications, evaluating bids, selecting the awardee, etc.) in which it will be a competitor. St. Louis County WDB has established "robust" policies and firewalls to avoid any inherent conflict of interest. <sup>20</sup> The Uniform Guidance<sup>21</sup>; also requires disclosure of all potential conflicts of interest *in writing* to the state awarding agency. St. Louis County WDB also requires such disclosures from their own providers. Sub-recipients must disclose all potential conflicts of interest in writing within 30 days of noticing the discrepancy.

WIOA sec. 107(d)(10)<sup>12</sup> assigned St. Louis County WDB the role of selecting operators and providers. Section 107(f) gives St. Louis County WDB authority to hire a director and other staff to assist St. Louis County WDB in carrying out its functions. Therefore, there are at least five potential "hats" for one or more entities:

St. Louis County Workforce Development is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Missouri TTY users can call (800) 735-2966 or dial 7-1-1 for Relay Missouri.

- One Stop Operator (competitive procurement required);
- St. Louis County WDB support staff;
- Career Services provider;
- Youth Services (Youth Workforce Development Activities) provider (competitive procurement required),
- Training Services provider (noncompetitive, but provider must be on the State and St. Louis County's-approved Eligible Training Provider List, if training is provided through the Individual Training Account process).

St. Louis County WDB decides whether it wishes to procure the services of an entity that fulfills two or more of the functions of One Stop Operator, WDB support staff, Career Services provider, Youth Services provider, and Training Services Provider. Likewise, it is up to the Board CEO to determine whether to designate the Local Fiscal Agent (LFA) (if one is used) to be the Local WDB itself or an entity that is already serving the Local WDB in other capacities.

This Policy, favoring local discretion and flexibility, describes the circumstances whereby an entity may contract with St. Louis County WDB to provide two or more of the services mentioned above. It includes guidance from WIOA and federal policy on “full and open competition,” and DWD policy on conflicts of interest that could result from multitasking.

The St. Louis County WDB will avoid conflicts of interest and ensure performance accountability when one entity performs two or more One-Stop Delivery System roles. A written agreement is required when a sub-recipient holds more than one responsibility in the OSJC. “Firewalls” for St. Louis County WDB are sufficiently rigorous, to the satisfaction of St. Louis County’s WDB and the CEO, to assure this. The regulations require that:

*“Any organization that has been selected or otherwise designated to perform more than one of these functions must develop a written agreement [emphasis added] with the Local WDB and CEO to clarify how the organization will carry out its responsibilities while demonstrating compliance with WIOA and corresponding regulations, relevant Office of Management and Budget circulars, and the State’s conflict-of-interest policy.” 19*

St. Louis County Workforce Development is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Missouri TTY users can call (800) 735-2966 or dial 7-1-1 for Relay Missouri.

Nothing in WIOA or the regulations prohibits St. Louis County's WDB from issuing a competitive Request for Proposal (RFP) requiring the awardee to perform multiple functions (any combination of Local WDB staff, OSO, Career Services provider, Youth Services, or Training Services provider). If a single entity *does* perform two or more of these roles (and possibly Local Fiscal Agent as well—if appointed by the CEO), St. Louis County WDB, WIOA and the regulations require statutory and regulatory assurances to avoid conflicts of interest. The written agreement must be signed and fully executed before allowing a single entity to perform two or more roles in the OSJC.

St. Louis County Workforce Development is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Missouri TTY users can call (800) 735-2966 or dial 7-1-1 for Relay Missouri.