



workforce
SOUTHWEST WASHINGTON

**WSW Executive Board Meeting
WSW – Zoom Conference Call
October 28, 2020 3:30 – 5:00 pm**

AGENDA

3:30	<u>Welcome</u>	Paige Spratt – Chair
3:35	<u>Consent Agenda</u> <ul style="list-style-type: none">• Approval of Executive Committee Minutes• Approval of Contract Memo• Approval of Policy Memo	Paige Spratt – Chair
4:00	<u>CEO Report</u>	Kevin Perkey – CEO
4:30	<u>Open Discussion / Other Items</u>	Paige Spratt – Chair
5:00	<u>Adjourn</u>	

NOTES



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SOUTHWEST WASHINGTON

**WSW Executive Board Meeting Minutes
September 23, 2020
3:30 p.m.
Zoom Conference Call, WSW**

Executive Board Members Present: Chair Paige Spratt, Kelley Foy, A.D. Simmons, John Vanderkin, Julie Olson, Ted Sprague, Ralph Clark, and Renny Christopher.

Staff Members Present: CEO Kevin Perkey, Amy Gimlin, and Traci Williams.

WELCOME

Chair Paige Spratt opened the meeting at 3:32 p.m. and welcomed everyone in attendance.

CONSENT AGENDA

Having reached quorum, Chair Spratt entertained a motion to approve the Consent Agenda, consisting of the Executive Board minutes held on August 26, 2020, Contract Memo, Policy Memo, and the Board Nominations Procedures 2020 Final Draft. Questions were answered by Mr. Perkey. Upon the motion duly made and seconded and with discussion around the Board Nominations Procedures 2020 Final Draft, the Consent Agenda was approved with excluding the Board Nominations Procedures 2020 from the agenda, with all in favor.

CEO REPORT

Mr. Perkey updated the Executive Board about the upcoming WSW Strategic Planning Board Retreat that would be held on October 15th from 8-12PM as a virtual Zoom meeting and a finalized agenda would be sent out the following week. Lisa Schauer from PointNorth Consulting Inc. will be speaking to the board about what their strategic priorities for the next three, six, and nine-month goals. Questions were answered by Mr. Perkey.

Mr. Perkey also briefed the Executive board that WSW was approved to be a BFET provider and will now be able to provide services under that program. WSW may be co-locating a service in Cowlitz County with Goodwill, who is also a BFET provider and looking for the best way to implement this program. One of the upsides to the BFET program is the ability to recapture 50% of the resources used year after year. Question were answered by Mr. Perkey.

Mr. Perkey also updated the Executive Board on the advancing conversations throughout WSW's work regarding Diversity, Equity, and Inclusion.

ADJOURNMENT

With nothing further for the good of the order, Chair Spratt adjourned the meeting at 4:13 p.m.



CONTRACT MEMO

DATE: OCTOBER 23, 2020
TO: KEVIN PERKEY
WSW EXECUTIVE BOARD MEMBERS
FROM: AMY GIMLIN, WSW CHIEF OPERATING OFFICER
RE: CONTRACT UPDATE (OCTOBER 2020)

WSW **executed** the following contracts:

- Equus Workforce Solutions contract to provide Adult and Dislocated Worker services in the three-county service area, total contract \$1,188,100.
- Equus Workforce Solutions contract to provide One Stop Operator and administer the participant expenses at both WorkSource Centers, total contract \$818,153.

WSW **modified** the following contracts:

- Partners in Careers Northwest Promise contract to extend services to December 31, 2020.
- All three WIOA Youth contracts with Equus to add JP Morgan Chase and carry in WIOA funds. Also, BFET budget line items. Clark contract \$888,564.09, Cowlitz contract \$260,987.06, and Wahkiakum contract \$10,812.23.



POLICY MEMO

DATE: OCTOBER 23, 2020
TO: KEVIN PERKEY
WSW EXECUTIVE BOARD MEMBERS
FROM: AMY GIMLIN, WSW CHIEF OPERATING OFFICER
RE: POLICY UPDATES

WSW Fraud and Incident Reporting Policy #1005 Rev 2

Employment Security Department revised the state policy and therefore updated language is required in our local policy. See attached policy for the revisions done in track changes.

Based on the approval process, this policy approval falls under Tier 1 Executive Board and Full Board notification.

Tier 1 – Minimum

Definition: Minimum revisions consist of grammar, spelling, branding changes, State or Federal mandated adjustments, or a new State or Federal mandated policy with no local revisions. These revisions would not require Executive or Full Board approval but would be included in a notification memo.



Workforce Southwest Washington Policies and Procedures

FRAUD AND INCIDENT REPORTING POLICY #: 1005 Revision 21

Date of Original Policy: 3/26/2014

Effective Revision Date: ~~5/25/2016~~10/28/2020

BACKGROUND:

Department of Labor proposed [20 CFR Section 683.620](#) and [TEGL 2-12](#) provide expectations and requirements for reporting information and complaints involving criminal fraud, waste, abuse or other criminal activity that must be reported immediately through DOL's Incident Reporting System to the OIG.

The [Incident Report \(IR\) form](#), Office of Inspector General (OIG) 1-156, is the official form to be used for reporting allegations of criminal and other illegal or improper activities in WIOA funded programs. When the OIG receives an IR, they determine whether the allegations have merit and, when appropriate, conduct or arrange for an investigation and/or audit. If the OIG determines that the case does not have investigative or audit merit, the case is referred back to DOL for resolution.

No action will be taken against any individual who discloses information concerning criminal or improper activities or makes a valid complaint to proper authorities. These individuals may remain anonymous. If an individual believes that his/her position will be compromised by reporting information through the IR system, ~~he/she/they~~ may send the report directly to the OIG ~~or the DOL Office of Financial and Administrative Management (OFAM)~~.

POLICY:

It is the policy of Workforce Southwest Washington (WSW) and its subrecipients to immediately report information or complaints regarding fraud, waste, abuse or mismanagement of funds.

1. Internal controls must be in place to prevent the possibility of fraudulent activity within the organizations of the WSW and its subrecipients. However, if the known or suspected activity of fraud is related to the organization, this information should be immediately reported to the Chief Executive Officer or management unrelated to the activity.
2. Appropriate actions will be taken immediately to stop the fraudulent activities, safeguard remaining assets and records and prevent future instances from recurring, including personnel action if necessary.
3. Whenever the entity reporting the allegation of an incident believes that immediate action to prevent further financial loss or other damage is necessary, or recovery of funds or property may be impeded if immediate action is not taken, the reporting entity has the responsibility to take any action it deems appropriate, including contacting the local law enforcement agency. Any immediate action taken or planned by the reporting entity must be reported to Employment Security Department (ESD) when the incident report is submitted.

4. All incident reports, emergency or other, must be sent to ESD and the OIG using the contact information provided below. WSW and our subrecipients will use the [IR \(OIG 1-156\) form](#) as provided by the Department of Labor to immediately document and report suspicions, allegations or complaints involving:

- WIOA-related fraud;
- Misfeasance, nonfeasance or malfeasance;
- Misapplication of funds;
- Gross mismanagement;
- Employee/participant misconduct; or
- Other potential or suspected criminal action.

NOTE: Types of reportable incidents (with additional context) are listed in the definitions section.

5. Situations involving imminent health or safety concerns or the imminent loss of funds exceeding \$50,000 are considered emergencies and must be immediately reported to ESD and the OIG using the most expedient venue listed below.

6. All subrecipients of the WSW shall also adhere to the state and federal reporting requirements noted above for all incidents of fraud as detailed in this policy, as well as notifying the WSW immediately of any suspected fraud.

7. Report Submission. All incidents must be reported to ~~each~~ of the following entities ~~either by phone, mail or email~~ by choosing one method to WSW, ESD and OIG with a copy to ETA:

- Workforce Southwest Washington
805 Broadway Suite 412
Vancouver, WA 98660
~~360-567-4075~~ [360-567-1059](tel:3605671059)
~~FAX: 360-567-1054~~
mandrus@workforcesw.org gimlin@workforcesw.org
- Employment Security Department
Attn: - ~~Incident Reporting Internal Audit Office~~ WIOA Incident Reporting
PO Box 9046
Olympia, WA 98507-9046
~~360-902-9276~~
LScheel@esd.wa.gov ESDGPCommissionerRequests@esd.wa.gov
- Office of Inspector General
Attn: Hotline
US Department of Labor
200 Constitution Avenue, N.W. Room S-~~5506~~ [5514](tel:2026935514)
Washington, D.C. 20210
FAX: 202-693-7020
1-800-347-3756 or 202-693-6999
Hotline Online Complaint Form: <https://www.oig.dol.gov/hotline.htm>

- Employment and Training Administration:
Email: RO6-RA-SF@dol.gov
Attention: Regional Administrator
USDOL
Employment and Training Administration (ETA)
San Francisco Regional Office
90 7th Street, Suite 17300
San Francisco, CA 94103
414-625-7977

Per requirements of 20 CFR 683.620 to copy the Department of Labor's Employment and Training Administration (DOLETA) on incident reports, ESD will forward all incident reports it receives to DOLETA on behalf of the reporting entity.

If ESD is the subject of the incident report, the incident should only be reported to WSW and OIG with a copy provided directly to DOLETA by the reporting entity.

DEFINITIONS:

Emergency – A situation involving imminent health or safety concerns or the imminent loss of funds exceeding an amount much larger than \$50,000.

Employee/Participant Misconduct – WSW, subrecipient, partner, contractor or participant actions occurring during or outside work hours that reflect negatively on the U.S. Department of Labor or its mission including, but not limited to: conflict of interest or the appearance of conflict of interest involving outside employment, business and professional activities; the receipt or giving of gifts, fees, entertainment, and favors; misuse of Federal property; and/or, misuse of official information and such other activities as might adversely affect the confidence of the public in the integrity of the government as well as serious violations of Federal and state laws.

Fraud, Misfeasance, Nonfeasance or Malfeasance – Any alleged deliberate action which may be in violation of Federal statutes and regulations. This category includes, but is not limited to, indications of bribery, forgery, extortion, embezzlement, theft of participant checks, kickbacks from participants or contractors, intentional payments to a contractor without the expectation of receiving services, payments to ghost enrollees, misuse of appropriated funds, or misrepresenting information in official reports.

Gross Mismanagement – An actions or situations arising out of management ineptitude or oversight and leading to a major violation of the legislative process, regulations, or contract/grant provisions. Such actions or situations have the potential to severely hamper accomplishment of program goals, waste government resources, and jeopardize future support for a particular project. This category includes, but is not limited to, unauditible records, unsupported costs, highly inaccurate fiscal reports or program reports, payroll discrepancies, payroll deductions not paid to the Internal Revenue Service, and lack of good internal control procedures.

Misapplication of Funds – Any alleged deliberate use of funds, assets or property not authorized or provided for by legislation or regulations, grants, or contracts. This category includes, but is not limited to, nepotism, political patronage, use of participants for political

activity, ineligible enrollees, conflict of interest, failure to report income from Federal funds, violation of contract/grant procedures, and the use of funds for other than specified purposes.

An incident report should be filed when there appears to be an intent to misapply funds rather than merely for a case of minor mismanagement.

Indian and Native American programs are excluded from the nepotism category, as cited in Section 632.118 of 20 CFR Part 632, Subpart F.

Subrecipient – An entity that receives federal assistance passed through from a prime recipient or another subrecipient to carry out or administer a WIOA program. Distinguishing characteristics of a subrecipient include:

- Determining eligibility for assistance;
- Performance measured against meeting the objectives of the program;
- Responsibility for programmatic decision making;
- Responsibility for applicable program compliance requirements; and
- Use of the funds passed through to carry out a program of the sub-entity as compared to providing goods or services for a program of the prime recipient.

REFERENCES:

- [Public Law 113-128, Workforce Innovation and Opportunity Act \(WIOA\) of 2014, Section 185\(b\)](#)
- [20 CFR 683.430 and 683.620](#)
- [Training and Employment Guidance Letter \(TEGL\) 2-12](#)

SUPERSEDES:

- SWWDC #1005 Fraud & Incident Reporting Dated 3/26/2014 [& 5/25/2016](#)

WEBSITE:

<http://workforcesw.org/providers#OperationsPolicies>