

WEBVTT

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00:00:00.060 --> 00:00:11.099

Rachael Tashbook: far on the call we really appreciate in value all of our local board members chief elected officials and all of their representatives joining us on this call.

2

00:00:12.120 --> 00:00:17.490

Rachael Tashbook: Everyone who's taking the time to attend these training sessions and make sure that we're providing the best possible services.

3

00:00:18.000 --> 00:00:27.570

Rachael Tashbook: For the state of Arizona it's greatly appreciated I know we were just all put on mute but if somehow you are not on mute please remember.

4

00:00:28.320 --> 00:00:32.670

Rachael Tashbook: To mute yourself, so that we can have good quality audio for everyone on the call.

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00:00:33.540 --> 00:00:43.410

Rachael Tashbook: And, once again, I just wanted to thank mayor and the Department of Labor for the opportunity to receive this custom training spirit series for arizona's local leaders.

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00:00:43.890 --> 00:00:57.420

Rachael Tashbook: And today i'd like to especially thank Nick who's going to bring his previous experience with the Department of Labor regional office in Chicago to this training, I know we're all going to greatly benefit from all the knowledge that you're bringing to this training.

7

00:00:59.100 --> 00:01:10.710

Rachael Tashbook: Over the last two weeks we've had the opportunity to cover lots of content we two weeks ago started by getting an overview of the roles and responsibilities of the chief elected officials and the local boards.

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00:01:11.190 --> 00:01:18.900

Rachael Tashbook: And visuals were shared to help us better understand what each entity is responsible for last week we dove into the joint responsibilities.

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00:01:20.280 --> 00:01:31.530

Rachael Tashbook: Specifically into the memorandum of understanding and infrastructure funding agreement and we learned about the opportunities

for shared cost and what partners need to be engaged when developing the mo and IFA.

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00:01:33.030 --> 00:01:42.150

Rachael Tashbook: Today is our last session in the series and covering compliant and effective procurement and support of one stop operators and service providers.

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00:01:42.810 --> 00:01:52.470

Rachael Tashbook: In today's session will learn more about the one stop operator procurement and best practices for complying with conflict of interest requirements.

12

00:01:53.070 --> 00:02:02.820

Rachael Tashbook: This guidance should help us ensure that our responsibilities are properly designated with proper firewalls allowing partners in the ecosystem to effectively execute their required functions.

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00:02:03.930 --> 00:02:14.010

Rachael Tashbook: This is going to be of the three probably our most detailed PowerPoint but we'll be posting this training, along with the other two online.

14

00:02:14.850 --> 00:02:27.780

Rachael Tashbook: For your reference as needed and a link will be emailed to all the local board directors to share with their teams, so that you can refer back to it as a resource or share it with individuals who are unable to attend today.

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00:02:29.490 --> 00:02:40.290

Rachael Tashbook: We also encourage everyone to send questions as needed so that we can all have a thorough understanding of the requirements, but that I would like to turn it over to the Mayor and may your team to get started.

16

00:02:46.770 --> 00:02:48.030

Nick: So, can you want to begin.

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00:02:48.390 --> 00:02:56.790

Jen Pirtle: yeah sure, so thank you for joining us today we're going to be talking about procurement firewalls and conflict of interest and.

18

00:02:57.870 --> 00:03:09.480

Jen Pirtle: We are recording this session so just be forewarned it's going to be recorded and will be shared and as Rachel said we're going to be sharing it with you afterwards.

19

00:03:10.410 --> 00:03:28.920

Jen Pirtle: Please go ahead and put any questions that you have in the chat and I will kind of flag Nick throughout the presentation, if we have some questions that we need to go back to there is a lot of content and will probably cover cover a lot of things so stay tuned so.

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00:03:30.210 --> 00:03:36.450

Jen Pirtle: Nick Lammers is our subject matter expert or lead consultant today and i'm going to turn it over to him.

21

00:03:37.710 --> 00:03:38.040

Jen Pirtle: Okay.

22

00:03:38.070 --> 00:03:51.240

Nick: Thank you again i'm just a few words of background I worked for the employment and training administration US Department of Labor in Chicago regional office for 36 years and.

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00:03:51.810 --> 00:04:00.930

Nick: In the role of federal project officer accountant and, later on, as a director and ultimately as an acting regional administrator for a while, so.

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00:04:02.490 --> 00:04:17.700

Nick: I hope that my experience will be beneficial to you because I do have experience in both the program and the financial side of of our programs and and hopefully that will add important content to our discussion today.

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00:04:19.770 --> 00:04:21.780

Nick: We are going to first talk about procurement.

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00:04:23.730 --> 00:04:29.190

Nick: starting out with the general standards for procurement that apply mostly from the uniform guidance.

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00:04:31.410 --> 00:04:37.800

Nick: And then we will talk about methods up acumen procuring one stop operators and service providers and then.

28

00:04:38.820 --> 00:04:46.650

Nick: Lastly, selecting sub recipients as a past who entity which is a different process than, then I become a transaction so.

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00:04:47.700 --> 00:04:59.100

Nick: Then, then we'll move into internal controls firewalls and conflict of interest issues are our central part of an internal control system so we're going to start talking first about.

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00:04:59.730 --> 00:05:04.830

Nick: It in internal control environment and what are some components of internal controls.

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00:05:05.700 --> 00:05:14.490

Nick: That, then, will then lead us into a more detailed discussion about the applicability of those controls to firewall and conflict of interest issues.

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00:05:15.030 --> 00:05:26.280

Nick: And then, at the end we'll have a summary and suggested next steps and then some additional resources, you can you can check in on to find additional information.

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00:05:27.450 --> 00:05:29.160

Nick: Okay, with that will begin.

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00:05:32.640 --> 00:05:34.170

Nick: The general standards of procurement.

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00:05:37.020 --> 00:05:39.630

Nick: These standards apply to all the cameras.

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00:05:41.790 --> 00:05:42.240

Nick: and

37

00:05:43.380 --> 00:05:54.360

Nick: But in addition to these federal standards are also state, and possibly even local standards up a camera that you must fall, so the local was for sports.

38

00:05:54.930 --> 00:06:13.500

Nick: Are in in uniform guidance terminology, I called non federal entities and you are required to develop and use your own documented per

camera seizures you must also follow the general procurement standards in the uniform guidance at the citation given here and those.

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00:06:16.290 --> 00:06:20.970

Nick: procedures that you do, you have must be fact also the applicable.

40

00:06:22.110 --> 00:06:37.320

Nick: State laws and regulations that govern procurements in any additional local rules that you must file regarding those requirements as well, so there are three tiers as the word three dimensions of requirements that apply federal state and local.

41

00:06:45.210 --> 00:06:49.230

Nick: Competitive selection of Sub recipients is required.

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00:06:51.330 --> 00:06:56.280

Nick: When it's required, you must use a competitive process for selecting those sub recipients.

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00:06:57.510 --> 00:07:11.730

Nick: And so it would be the same as a contractor it the same rules will apply to procuring a sub recipient and and that's required at the federal level for one stop operator and four who a youth service providers.

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00:07:13.320 --> 00:07:22.980

Nick: There also may be occasions when the state or your own local policies, require that you that you select or procure sub recipients using a procurement methodology.

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00:07:24.330 --> 00:07:25.200

Nick: And then.

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00:07:26.460 --> 00:07:34.380

Nick: Occasionally, and it's rare but it's occasionally the case that if you receive a discretionary grant from the US Department of Labor.

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00:07:35.070 --> 00:07:46.110

Nick: The funding opportunity announcement may or the grant terms and conditions may require you to use a competitive become a process to select any any sub recipient for that particular grant so.

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00:07:47.610 --> 00:07:48.060

Nick: generally.

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00:07:49.230 --> 00:07:56.040

Nick: Sub recipients, I do not have to be selected i'm using a kind of a competitive process, but these are instances where it must occur.

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00:07:57.600 --> 00:07:57.840

Okay.

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00:08:01.020 --> 00:08:04.170

Nick: So what are some of the general standards that apply that are the federal standards.

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00:08:05.250 --> 00:08:13.560

Nick: They must be full and open competition you can't place restrictions on competition, including geographical preferences.

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00:08:14.940 --> 00:08:24.510

Nick: If you use a pre qualified list of providers that list must be current and include enough qualified sources to ensure open and free competition.

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00:08:25.470 --> 00:08:36.000

Nick: And regardless of whether you use a pre qualified list or not, you must not preclude any other business from qualifying during the solicitation period so.

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00:08:37.440 --> 00:08:53.940

Nick: If your process must be free and open, so what is required, as part of this process you're required to have written procurement policies and procedures and you're required to have written standards of conduct governing the those procurements excellence.

56

00:09:00.240 --> 00:09:04.590

Nick: you're also required to award only two responsible entities.

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00:09:05.820 --> 00:09:23.280

Nick: That are able to perform successfully and whose past performance compliance with policy financial and technical resources contractor integrity are present in order to operate whatever program they will be operating in compliance with all the applicable will requirements.

58

00:09:24.360 --> 00:09:31.380

Nick: Specifically prohibited organizations and individuals that have been the bard or suspended, who have a tax liability.

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00:09:32.220 --> 00:09:45.960

Nick: Is the federal tax liability and maybe true state if that has a State tax liability prohibition as well and and felon So hopefully we're not dealing with any felons in terms of operating workforce programs.

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00:09:47.010 --> 00:09:47.370

Next.

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00:09:49.650 --> 00:09:52.680

Nick: it's important to maintain a record of a procurement, this is required.

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00:09:54.480 --> 00:10:03.990

Nick: And that record has to provide sufficient detail on the history of the procurement, including the rationale that was used for the method of procurement that you filed.

63

00:10:05.190 --> 00:10:15.900

Nick: The selection of contract type, in other words what what instrument, have you chosen to use whether it's like, for example, cost reimbursement as as as a contract type.

64

00:10:16.440 --> 00:10:26.700

Nick: That you're using for this procurement, you have to document the basis for contractors selection or rejection and we'll go into that in much more detail later on.

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00:10:27.840 --> 00:10:36.990

Nick: As well as the basis for for the price, so all that information has to be documented in your record your historical record of reaching every procurement.

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00:10:42.360 --> 00:10:53.760

Nick: In addition, there is a circumstances under which you must also conduct a custom price analysis prior to awarding of entering into the procurement process.

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00:10:54.810 --> 00:11:01.110

Nick: For the federal standard is that for every procurement action in excess of the simplified acquisition threshold.

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00:11:03.150 --> 00:11:14.160

Nick: which currently is \$150,000 and including any modifications that have that kind of impact, you must include an independent estimate of cost before receiving bits of proposals.

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00:11:14.970 --> 00:11:27.900

Nick: This is also required for sole source documents which we will mention a little bit later again and if there's any cost, plus potential cost contracts, those are not available now the state has additional requirements are different requirements in fact.

70

00:11:29.310 --> 00:11:41.880

Nick: The State simplified acquisition threshold is \$100,000 it's less than the federal standard, but that state standard does apply, so you are required as a local area to comply with the with the state standards.

71

00:11:42.780 --> 00:11:52.860

Nick: Regarding contract and cost cost and price analysis and the State wants you to conduct a custom press analysis for every procurement that you enter into.

72

00:11:54.270 --> 00:11:54.840

Nick: Besides.

73

00:11:56.490 --> 00:12:04.350

Nick: The requirements relating to cost impressed analysis it is really a necessary part of your budgeting process because.

74

00:12:04.980 --> 00:12:16.890

Nick: You need to know, obviously the model funds, you have available for any award and you also need to identify in detail which activities and, therefore, which costs, you want to procure.

75

00:12:18.210 --> 00:12:29.910

Nick: This requires an upfront analysis and it's part of the budget phase before actually going up for for bids, so it has practical implications.

76

00:12:30.690 --> 00:12:45.630

Nick: Both in terms of meeting the requirements, as well as assisting you in in the budgeting process that then helps you helps you issue a more detailed and more informative rfp request for proposal next, please.

77

00:12:45.840 --> 00:12:52.170

Jen Pirtle: So Nick we did have a question come in on the barter suspension is there a time period on that.

78

00:12:53.550 --> 00:12:54.360

Jen Pirtle: It says when.

79

00:12:56.970 --> 00:12:57.870

Nick: Well, someone can be.

80

00:12:59.250 --> 00:13:05.310

Nick: Someone who's the bard suspended will remain on that list until that that suspension is lifted so.

81

00:13:06.510 --> 00:13:16.800

Nick: If you can check this the federal Augustine have departed suspended organizations and if they're listed there, no matter how long they've been on that list.

82

00:13:17.880 --> 00:13:20.700

Nick: They cannot make an award to that entity.

83

00:13:22.620 --> 00:13:22.980

Jen Pirtle: Thank you.

84

00:13:26.910 --> 00:13:27.660

Okay next one.

85

00:13:31.230 --> 00:13:36.450

Nick: Another standard for procurement federal standard for becoming it's a State standard as well.

86

00:13:38.370 --> 00:13:44.940

Nick: It says in order to ensure objective contractor performance and eliminate unfair competitive advantage.

87

00:13:46.080 --> 00:13:53.760

Nick: contractors or any other entities or staff really that develop or draft specifications requirements statements of work or invitations forbids.

88

00:13:54.750 --> 00:14:03.870

Nick: or request for proposals must be excluded from competing for set to propose such procurements and other words you can't write the specifications for a pyramid and then.

89

00:14:04.320 --> 00:14:21.000

Nick: In turn, bid on it, because obviously there's a as we'll get into later there's a definite conflict of interest there in terms of writing the specifications or potentially that best best serve your purposes, your individual purposes and, therefore, that is not that is prohibited.

90

00:14:23.280 --> 00:14:27.390

Nick: And it does raise a number of firewall issues, for example.

91

00:14:28.830 --> 00:14:39.600

Nick: The the board or fiscal agent or any other entity staff may not develop the specifications for the rfp and then select themselves as the one stop operator, or you service provider.

92

00:14:41.790 --> 00:14:45.330

Nick: In one local area, the Board is also the one stop operator.

93

00:14:46.980 --> 00:14:53.430

Nick: i'm not sure how the word processor use the board users to select itself as a one stop operator, but.

94

00:14:54.780 --> 00:14:55.770

Nick: It raises.

95

00:14:56.850 --> 00:14:58.830

Nick: firewall issues that will get into later.

96

00:15:00.090 --> 00:15:06.300

Nick: In eight local areas, the chief elected official a size fiscal agent is also the youth service provider.

97

00:15:07.110 --> 00:15:15.720

Nick: So the question, there is what role does the chief like official or fiscal agent play in the selection of that of themselves as a as a youth service provider.

98

00:15:16.680 --> 00:15:29.880

Nick: In to local areas, the Board is also the service provider raising the same question and we'll address all these issues in these circumstances in more detail and the seconds later on him on firewalls and conflict of interest.

99

00:15:31.980 --> 00:15:32.220

Okay.

100

00:15:36.300 --> 00:15:45.690

Nick: As I mentioned earlier, you must also maintain standards of conduct in the particular process, so you must establish policies for federal awards.

101

00:15:46.350 --> 00:15:58.140

Nick: And they must include written standards of conduct for anyone who touches the procurement process, whether that be in the second phase, the award and the administration of contracts.

102

00:15:59.130 --> 00:16:06.750

Nick: Note that the standards of contact conduct also apply during the administration of the Ward, in other words.

103

00:16:08.550 --> 00:16:16.470

Nick: staff who oversee another entities operation, for example, during the course of the performance of the award.

104

00:16:17.460 --> 00:16:33.750

Nick: That is a person is participating in the administration of the award and in that case, then all these rules about conflict of interest and standards of conduct governing that that kind of situation must be included in your in your in your written standards of conduct.

105

00:16:36.000 --> 00:16:45.300

Nick: You must address any situations where there are real or apparent conflict of interest, whether that is a personal a conflict or whether it's organizational.

106

00:16:46.800 --> 00:16:52.710

Nick: You know one who's involved in a particular process can solicit or accept anything a monetary value.

107

00:16:54.810 --> 00:17:04.800

Nick: You can't be involved if you if staff family member partner or employer Organization has financial or other interest in or other tangible benefit from the awardee or bitter.

108

00:17:05.970 --> 00:17:06.450

Nick: and

109

00:17:07.620 --> 00:17:18.570

Nick: The standard also requires that where there are violations that you must take you must take disciplinary action against that individual person or that organization that violates these rules.

110

00:17:20.640 --> 00:17:20.880

Okay.

111

00:17:27.150 --> 00:17:37.350

Nick: Next we'll talk about the basic methods of procurement, there are five that are addressed in the uniform guidance and we'll go over those briefly next, please.

112

00:17:42.840 --> 00:17:50.460

Nick: There are five methods, as listed here the micro purchase small purchase seal bids competitive proposals and non competitive proposals.

113

00:17:51.720 --> 00:17:55.170

Nick: Just a reminder that state and local requirements may be different from.

114

00:17:56.220 --> 00:18:06.270

Nick: What we're saying are federal requirements, and you have to comply with those state and local requirements as well, so those requirements could be more restrictive than the federal ones, and then.

115

00:18:06.960 --> 00:18:12.360

Nick: You have to follow those more restrictive requirements if they if they in fact to exist next, please.

116

00:18:15.120 --> 00:18:29.730

Nick: Micro purchase, this was an attempt by the Federal Government to simplify a small dollar amounts of purchases and the micro purchase currently is acquisitions supply the services not exceeding 30 \$500 in the aggregate.

117

00:18:31.020 --> 00:18:47.190

Nick: In which case, an award can be made without soliciting competitive proposals if the price is reasonable so again, we talked about constant price analysis, you would have to know that the price you're obtaining for any micro purchase, as well as a reasonable price.

118

00:18:50.010 --> 00:19:02.520

Nick: When you use this method you should distributed equitably among qualified suppliers to the expense and practical, in other words you don't want to continue to to fund the same contractor.

119

00:19:03.510 --> 00:19:14.550

Nick: When other contractors are available to be considered it's an effort to give you the flexibility to spread out your contracts among eligible providers in your community.

120

00:19:17.130 --> 00:19:24.630

Nick: The standard threshold is 30 \$500 but the higher threshold up to 50,000 maybe established based upon internal controls.

121

00:19:25.410 --> 00:19:34.410

Nick: and evaluation of risk and documented acumen procedures notice the statement about internal controls and evaluation of risk we're going to talk about that in much more detail later.

122

00:19:34.830 --> 00:19:41.760

Nick: So those are requirements that apply if in fact you use a higher standard or threshold for micro purchase.

123

00:19:42.660 --> 00:19:53.610

Nick: And to say again that we will oftentimes during this training, you must your standards, the two years must be consistent with state and local requirements as well, and not just federal requirements.

124

00:19:56.430 --> 00:19:57.060

Nick: Next, please.

125

00:19:58.680 --> 00:20:01.260

Jen Pirtle: Nick can you just speak a little bit louder oh.

126

00:20:01.500 --> 00:20:01.860

OK.

127

00:20:02.910 --> 00:20:04.650

Jen Pirtle: OK, thank you.

128

00:20:08.310 --> 00:20:11.430

Nick: Next category parameters small purchases.

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00:20:13.290 --> 00:20:19.080

Nick: and small purchase procedures are informal procurement methods for securing services supplies or other property.

130

00:20:20.010 --> 00:20:30.360

Nick: Where the cost is less than the simplified acquisition threshold which we said earlier, it for the Federal Government it's hundred and 50,000 but the state threshold is less it's 100,000.

131

00:20:31.380 --> 00:20:39.840

Nick: In for small purchases of this larger dollar values and you must get price array quotations from an adequate number of qualified sources.

132

00:20:40.770 --> 00:20:50.370

Nick: It doesn't say how many that must be, but it must be an adequate number and, of course, the higher the dollar amount, the more burden, there is on to demonstrate that you've sought.

133

00:20:51.870 --> 00:20:55.110

Nick: Pricing from an inadequate number of qualified sources.

134

00:20:56.520 --> 00:21:04.290

Nick: The the simplified acquisitions threshold that applies federally is is referenced in the.

135

00:21:06.060 --> 00:21:24.270

Nick: In the in the far and that threshold can that far stands for federal acquisition regulations and that that threshold may change over time, but currently it's 150 but, again, you must follow state and local requirements as to what small purchase procedures, you actually use.

136

00:21:25.470 --> 00:21:25.710

Next.

137

00:21:29.010 --> 00:21:41.790

Nick: Another method is sealed bids, then, quite frankly I won't spend any time on this because it's generally used for construction where you're obtaining sealed bids, where the price is fixed the the.

138

00:21:42.600 --> 00:21:54.300

Nick: The amount of the work that can be that has to be done is expressed in in very defined and limited terms and pricing then becomes the sole basis for making a selection.

139

00:21:55.080 --> 00:22:02.370

Nick: This is not typically what we do with service providers for workforce program so I won't go into any more detail on that next, please.

140

00:22:03.060 --> 00:22:17.280

Jen Pirtle: So we did get a question come in going back to the small purchase threshold um he thought the federal micro purchase limit with increased to \$10,000 last year is the 3500 the state limit.

141

00:22:18.000 --> 00:22:21.960

Nick: Yes, i'm sorry that's correct I I overlook that yep.

142

00:22:25.440 --> 00:22:31.620

Jen Pirtle: So you're right the federal micro purchase limit was increased to \$10,000 I think in November, yes.

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00:22:33.210 --> 00:22:33.510

Okay.

144

00:22:36.750 --> 00:22:42.540

Nick: Next, competitive proposals I put competitive in parentheses, because the uniform guidance dropped that.

145

00:22:43.590 --> 00:22:52.980

Nick: term when talking about proposals, but the meaning is still the same and the requirements are that you must publicize a request for proposal.

146

00:22:53.490 --> 00:23:04.500

Nick: and identify all evaluation factors, you must solicit from an adequate number of qualified sources, you must have a written method for evaluating and selecting proposals.

147

00:23:05.130 --> 00:23:15.060

Nick: And the word must be made to responsible firm based upon what's most advantageous to you in all respects, and when terms of service and price.

148

00:23:15.630 --> 00:23:27.900

Nick: And price and other factors are considered but price alone is doesn't have to be the absolute defining consideration, but it is one of several considerations that you shouldn't use it making a selection.

149

00:23:29.310 --> 00:23:30.150

Okay next.

150

00:23:31.890 --> 00:23:37.260

Nick: And the final method of procurement is the non competitive procurement often referred to as sole source.

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00:23:38.460 --> 00:23:48.330

Nick: It may be conducted as a sole spoilers procurement only under one of the following circumstances where the camera does not exceed that micro purchase crossroad.

152

00:23:49.590 --> 00:24:00.570

Nick: Or the services available only from a single source or there's an emergency, a public emergency that will not permitted delay resulting from publicizing a competitive solicitation.

153

00:24:01.770 --> 00:24:04.890

Nick: or federal or pass through entity authorizes you to.

154

00:24:06.420 --> 00:24:10.260

Nick: conducted sole source procurement in response to your written request to do so.

155

00:24:11.400 --> 00:24:21.030

Nick: or after a solicitation from a number of sources, competition is determined inadequate That means, for example, you put out a an rfp and there's only one responded.

156

00:24:21.540 --> 00:24:30.000

Nick: That is an effective non competitive become a sole source procurement and in any of these cases a cost and price analysis is required.

157

00:24:30.630 --> 00:24:43.050

Nick: Since there's no competition for comparison of prices, so you must do this more detailed work in under any of these circumstances I would add, for my own observation on that.

158

00:24:44.130 --> 00:24:51.990

Nick: It is difficult to prove or demonstrate that whatever service you're seeking is available for money, a single source.

159

00:24:53.310 --> 00:24:59.100

Nick: If you don't put out an rfp often don't know whether there are other providers out there who could provide so to assume.

160

00:24:59.490 --> 00:25:11.970

Nick: That it's available only from a single source is not in itself a justification for sole source procurement, you must be able to document, in fact, that it is available only from a single source so just be careful.

161

00:25:13.830 --> 00:25:28.800

Nick: If and when you use this this method of procurement because they're hidden dangers that you could avoid the State also has a wordpress policy number for that requires written justification for so such requirements as well, so you need to follow those State requirements as well.

162

00:25:33.390 --> 00:25:38.370

Nick: So now let's talk more specifically about the procurement of the one stop operator.

163

00:25:43.800 --> 00:25:51.210

Nick: In the w iowa regulations, there is one role the one stop operator must perform.

164

00:25:52.590 --> 00:25:58.320

Nick: And that means that is to coordinate the service delivery of required one stop partners and service providers.

165

00:25:59.700 --> 00:26:08.100

Nick: Now the regulations acknowledge that other roles can be given to the one stop operator on the board may establish additional roles, such as.

166

00:26:08.760 --> 00:26:24.570

Nick: Coordinating service providers within the Center and across the one stuff system will stop there could also be the primary provider of services within the Center providing some of the services within the Center or coordinating service delivery and a multi Center area.

167

00:26:26.100 --> 00:26:36.000

Nick: The won the competition, then for a one stop operating was clearly articulate the entire set of roles that the one stop Popper is expected to perform and we'll go into that in more detail to.

168

00:26:41.910 --> 00:26:55.320

Nick: it's important than for your when you issue an rfp for the one stop operator that you define identify in detail all the roles that you're expecting that operator to perform.

169

00:26:55.770 --> 00:27:06.240

Nick: Otherwise it's a shot in the dark, so you need to be clear upfront on what is the role of the one stop operator in all the functions that you're expecting the one stop operator to perform.

170

00:27:09.300 --> 00:27:23.520

Nick: In order for this bitterness can to respond to, in fact, how how they would provide those services and at what cost they don't have that detail, they have no basis for determining how they would provide the services and at what cost to you so.

171

00:27:24.540 --> 00:27:26.190

Nick: This please keep that in mind.

172

00:27:27.810 --> 00:27:37.050

Nick: The required content for an rfp as we meant to there no geographic preferences about they must have you must have written procedures for conducting the procurement.

173

00:27:38.100 --> 00:27:46.590

Nick: it's important to incorporate a clear and accurate description of the technical requirements for the material product or service to be procured.

174

00:27:48.330 --> 00:27:58.230

Nick: You might identify all the requirements which the offers must offers must fulfill and all other factors to be used in evaluating bids or proposed photo.

175

00:27:58.920 --> 00:28:08.760

Nick: And finally, he must also publicly advertised the rfp so that any interested party can submit a bid respond to the rfp and submit a bid for consideration.

176

00:28:15.090 --> 00:28:21.660

Nick: So here are my suggestions for content, you include in your rfp when you're selecting a one stop operator.

177

00:28:23.610 --> 00:28:33.240

Nick: You should be able to give them some background information so they know what environment that they would be working in, and that would include this one step system, its purpose and structure.

178

00:28:34.170 --> 00:28:39.210

Nick: You would identify the partners and programs that are part of the one stop system that they would be involved with.

179

00:28:40.800 --> 00:28:50.010

Nick: You should also ask for description of the of the bigger organization in terms of what type of organization their principal purpose mission and services provided so.

180

00:28:50.460 --> 00:29:02.220

Nick: You can evaluate whether or not their current range of activities is consistent with and helpful and being able to perform the role of one stop operating.

181

00:29:03.750 --> 00:29:14.730

Nick: Again, the role of the one stop operator should be defined in great detail every function or activity you're expecting the also to perform should be included in the rfp.

182

00:29:15.960 --> 00:29:22.320

Nick: As well as any any additional services that you expect that one stop operated to provide.

183

00:29:23.580 --> 00:29:28.290

Nick: And where the APP of performing multiple functions.

184

00:29:29.340 --> 00:29:43.620

Nick: Then you should require a description from that that are what fire protect firewall protections they have when performing incompatible functions and we'll get into the firewall issues relating to this process much, much more detail later.

185

00:29:44.760 --> 00:29:49.290

Nick: I suggest you ask for a staffing plan, who will be staffing the the.

186

00:29:50.430 --> 00:29:53.220

Nick: The centers as as the one stop operator.

187

00:29:54.750 --> 00:30:01.050

Nick: And also, I would suggest you get it you obtain a one line item budget and the budget summary.

188

00:30:02.400 --> 00:30:03.990

Nick: That would be needed, also for.

189

00:30:05.310 --> 00:30:20.100

Nick: Evaluating the budget in in the context of what you've already established as your cost of price analysis information, so you want you want your their budget to match up with your own cost and price analysis detail.

190

00:30:21.690 --> 00:30:25.950

Nick: You must also identify the evaluation factors to be used to make proposals.

191

00:30:26.970 --> 00:30:42.300

Nick: And again, those factors should be aligned with what are the roles you expecting the one stop operator to perform and any other logistical requirements that might might might exist, for example, in the next slide we say.

192

00:30:45.930 --> 00:30:46.590

Next slide please.

193

00:30:50.070 --> 00:30:59.640

Jen Pirtle: So before we go further, though, Nick there was a question that says in the chat that says, please confirm that when wi away.

194

00:31:00.060 --> 00:31:18.570

Jen Pirtle: refers to the required partners in service providers that it is referring to the required core program partners who are the service providers, for their programs and not referring to the local areas contracted service providers provide direct career services.

195

00:31:21.390 --> 00:31:23.910

Jen Pirtle: I don't know that is an either or but.

196

00:31:25.530 --> 00:31:26.880

Nick: While the required partners.

197

00:31:27.900 --> 00:31:40.230

Nick: Obviously, must participate in the one step system, and that would be laid out in in described through the mo you and in the infrastructure agreement, and then the other caution agreements as part of that arrangement.

198

00:31:41.910 --> 00:31:52.860

Nick: So the partners, as described in or identified in who ate our programs so it's partner programs that are required to be represented in the one step system.

199

00:31:55.620 --> 00:32:02.250

Jen Pirtle: So it is not just the core program partners it's the partners that are relevant for your local system.

200

00:32:03.540 --> 00:32:06.240

Jen Pirtle: Then weigh in on that if you want to.

201

00:32:07.860 --> 00:32:10.410

Lynn Bajorek: Help that makes perfect sense to me.

202

00:32:12.870 --> 00:32:18.360

Nick: yeah the wall and the regulations on list every required partner Program.

203

00:32:19.650 --> 00:32:31.200

Nick: it's a fairly long list, as you know, and all those partner programs must be represented somehow we actually what the rule says that they must make their program services available.

204

00:32:32.250 --> 00:32:34.230

Nick: accessible through the one step system.

205

00:32:35.400 --> 00:32:40.110

Nick: So that's the basic level of requirement, they must go meet our programs sweet.

206

00:32:42.780 --> 00:32:43.140

Thank you.

207

00:32:47.310 --> 00:32:55.650

Nick: So, as we mentioned earlier, the minimum requirement that's in the WHO, a law and regulations is that the one stop operator must coordinate the delivery partner services.

208

00:32:57.690 --> 00:33:03.420

Nick: And, in conjunction with partners, they could must identify the one stop objectives and measure the performance.

209

00:33:04.950 --> 00:33:08.400

Nick: Also, could also report performance results quarterly to the board.

210

00:33:09.660 --> 00:33:17.460

Nick: The one stop i've already if you wanted them to could even assistant negotiating the mo you and partner sharing of infrastructure and additional costs.

211

00:33:19.170 --> 00:33:28.050

Nick: As you know, the there is a reconciliation requirement, with respect, infrastructure and additional cost that you could potentially assign that role to the one stop operator.

212

00:33:29.940 --> 00:33:37.770

Nick: And, and also the one stop shop or could it could provide certain selected program services that you want them to operate.

213

00:33:38.640 --> 00:33:54.930

Nick: So you have latitude in terms of how broadly or narrowly you want to define the role of the one stop shop greater as long as they meet the basic requirement of coordinating deliver deliver your partner services.

214

00:33:56.310 --> 00:33:56.790

Next, please.

215

00:34:00.930 --> 00:34:12.330

Nick: And some of the services that one stop operated could perform, and this is by no means an exhaustive list, they could be operating, like, for example, to the reception desk and then referring customers to the partner programs.

216

00:34:13.500 --> 00:34:15.090

Nick: They might operate the resource room.

217

00:34:16.200 --> 00:34:20.490

Nick: It could even be a deliverer of career services and many other possibilities so.

218

00:34:22.680 --> 00:34:27.480

Nick: Again, as I said, you have the option of defining the extent of the role of the one stop operator.

219

00:34:30.990 --> 00:34:31.290

Next.

220

00:34:36.240 --> 00:34:41.040

Nick: I would like to give a special emphasis to this that, in my view.

221

00:34:43.110 --> 00:34:50.130

Nick: it's important to structure the evaluation factors are using and rating proposals that you're receiving.

222

00:34:51.120 --> 00:35:02.790

Nick: For one stop operative and really any other service provider, for that matter, but those evaluation factors are constructed around and focus on the principal roles that you want the one stop operator to perform.

223

00:35:04.320 --> 00:35:16.770

Nick: And that you'd be asking them for information about their knowledge of experience with and achievements regarding the partners who are in the one stop system about their programs employment, training programs.

224

00:35:18.030 --> 00:35:25.770

Nick: Their experience and coordinating and work have multiple entities to coordination is a major role that one stop operator performs.

225

00:35:27.300 --> 00:35:28.080

Nick: If it's relevant.

226

00:35:29.430 --> 00:35:34.080

Nick: Their past experience in negotiating budgets if they're involved in negotiating the budgets.

227

00:35:35.160 --> 00:35:41.370

Nick: For partners in terms of the infrastructure agreement or additional costs and.

228

00:35:42.570 --> 00:35:48.330

Nick: Also they're experienced in identifying organizational objectives and reporting results, in other words.

229

00:35:49.680 --> 00:35:55.440

Nick: asking them to tell you what relevant experience they have and performing the roles that you want them to perform.

230

00:35:56.880 --> 00:36:02.790

Nick: You can ask i'll ask who will be staffing, the one stop role, and what are their qualifications and experience.

231

00:36:04.290 --> 00:36:18.750

Nick: don't overlook this because you want a competent staff present in the one stop Center to perform this role, and you should ask them to provide that information sufficient for you to determine whether in fact they are providing competent sound.

232

00:36:20.460 --> 00:36:30.030

Nick: And, and in addition to staff ask them what other additional support they provide the organization provides to the staff who are actually working in the one stop Center.

233

00:36:31.470 --> 00:36:37.770

Nick: And then ask for a budget, as you mentioned before, to make sure that costs are allowable and reasonable.

234

00:36:38.670 --> 00:36:50.700

Nick: And whether those costs are effective cost effective message relative to the extent and quality of services provided and within the limits of available funds so, of course, so you want to make sure that.

235

00:36:51.780 --> 00:37:01.020

Nick: That what they're proposing is costs fit into your available funds your budget that you've prepared through your cost and price analysis.

236

00:37:01.560 --> 00:37:15.210

Nick: Those costs are available and reasonable and and the use of the funds that are being provided results in a cost effective delivery of services and, both in terms of the extent of services, as well as the quality of services.

237

00:37:23.550 --> 00:37:25.470

Nick: some minor issues like.

238

00:37:26.670 --> 00:37:33.660

Nick: Logistical considerations, you might want to add to your rfp obviously the date when the proposals do where and how it's delivered.

239

00:37:35.310 --> 00:37:40.410

Nick: informing them of what are the decision steps and timeframe for you to make a selection.

240

00:37:41.730 --> 00:37:52.710

Nick: You might also want to provide them with the composition of the evaluation team in terms of what position organizations, they represent, I would, I would advise against naming individuals.

241

00:37:53.850 --> 00:37:56.370

Nick: But certainly you could name positions and organizations.

242

00:37:57.420 --> 00:38:02.280

Nick: And you may want to restrict the length of the application some organizations will this pile on.

243

00:38:02.910 --> 00:38:11.490

Nick: Through attachments or through extended narrative lengthy information that really doesn't bear on what if what's the type of information you're you're seeking.

244

00:38:12.300 --> 00:38:18.840

Nick: So one way to is to perhaps guard against that is to restrict the length of the application in terms of number of pages, for example.

245

00:38:21.150 --> 00:38:25.440

Nick: or any other any other considerations along these lines, obviously, you will be taking into account.

246

00:38:32.280 --> 00:38:33.840

Nick: Some other considerations.

247

00:38:36.510 --> 00:38:45.870

Nick: That are fact established in the wi fi regulations that you must take into account when you're selecting the one stop operating.

248

00:38:47.100 --> 00:38:56.730

Nick: In that is if the Board is selected to serve as a one stop operator, the local chief elected official in the governor must approve that selection.

249

00:38:57.780 --> 00:39:01.620

Nick: And the state has to certify all the one stop centers in that particular region.

250

00:39:02.640 --> 00:39:11.940

Nick: So this is another requirement when the Board is selected as to serve as the last stop operator, you must have written concurrence from the chief elected official and the governor.

251

00:39:13.530 --> 00:39:21.510

Nick: Secondly, if the Board is selected as the one stop operating through the sole source procurement and that we would strongly advise against.

252

00:39:22.200 --> 00:39:36.990

Nick: The local seo and governor have been given prior approval to do so, and the local board has established sufficient conflict of interest policies and procedures that have been approved by the government so there's another burden that is added.

253

00:39:38.370 --> 00:39:39.420

Nick: To this process.

254

00:39:41.700 --> 00:39:48.750

Nick: Where you must also establish that you have sufficient conflict of interest policies and procedures in place, and they have been approved by the governor.

255

00:39:50.130 --> 00:39:57.750

Nick: If the board acts as a provider of career services again the local CEO and government must approve that arrangement.

256

00:39:58.710 --> 00:40:07.920

Nick: And if the board provides training services, the governor has granted away with to do so, so this requires an explicit waiver from the governor if the board in fact provides training services.

257

00:40:09.600 --> 00:40:11.460

Nick: Was there a comment or question came engine.

258

00:40:15.090 --> 00:40:16.050

Jen Pirtle: Yes, there was.

259

00:40:17.820 --> 00:40:34.200

Jen Pirtle: Arizona policy number four states that the one sub operator must not develop and submit a budget for activities of the board in the local area and I don't know if Nancy or recall, if one of you wants to comment on that it's about it's about your policy.

260

00:40:39.780 --> 00:40:42.990

Nick: yeah that's not that's not any different from.

261

00:40:44.100 --> 00:40:50.070

Nick: The federal requirements, what I was talking about in terms of Budgets was the budget for not for the board.

262

00:40:51.300 --> 00:40:51.540

Jen Pirtle: But.

263

00:40:51.870 --> 00:40:58.410

Nick: In terms of working on budget issues with all the partners in the one stop Center, so there is a distinction there.

264

00:40:59.670 --> 00:41:00.240

Nick: And I am.

265

00:41:01.620 --> 00:41:08.520

Nick: The next slide does raise what are the state policy issues that are that are relevant here, if you could go to the next slide down.

266

00:41:13.920 --> 00:41:23.700

Nick: The state policy, in addition to the federal policies we've already mentioned requires that the board established written firewall protections to eliminate potential or appearance of conflict of interest.

267

00:41:25.980 --> 00:41:30.450

Nick: The State prohibits the one stop I operated from serving as staff to the board.

268

00:41:32.340 --> 00:41:37.860

Nick: The Board must select the one stop operator through a fair and open, competitive process.

269

00:41:39.720 --> 00:41:47.040

Nick: In other words, to say to sing by their policies you can't select the one stop shop right or non competitive or sole source basis.

270

00:41:48.270 --> 00:42:00.420

Nick: And also career services may be provided by the one stop operator to contracts with direct service providers or board documentation of the process and selection criteria used to award those contracts.

271

00:42:01.980 --> 00:42:06.060

Nick: So if the services are provided by the one stop operator.

272

00:42:06.990 --> 00:42:18.810

Nick: career services must be included in the competitive became a process again, you must identify what is the role of the one stop operator and if they are to provide career services, then obviously that must be stipulated in the rfp.

273

00:42:19.980 --> 00:42:24.270

Nick: As our other also functions, I must be identified in the rfp rfp.

274

00:42:27.600 --> 00:42:38.940

Nick: And you must also have by state policy firewalls to separate governance functions and program service functions and we'll get into those kinds of firewall issues and more detail a little bit.

275

00:42:42.810 --> 00:42:49.140

Nick: There are roles and I was alluded to, that a minute ago that are prohibited, where the one stop operator cannot perform.

276

00:42:50.850 --> 00:43:04.230

Nick: They can't be involved in in development, a local plan they can't prepare and submit local plans they can't be responsible for overseeing themselves and we'll talk about that later in terms of not monitoring yourself.

277

00:43:05.850 --> 00:43:13.830

Nick: They can't manage a significantly participate in the in the competitive selection process for one for one stop operators, obviously.

278

00:43:14.220 --> 00:43:23.220

Nick: If you are a one stop operative it'd be a conflict of interest to us for you to be involved in in the section of you yourself were any other any other bitter.

279

00:43:24.600 --> 00:43:31.200

Nick: You are not as a one stop operator may not select a terminate one stop operators career services and youth providers.

280

00:43:33.000 --> 00:43:43.740

Nick: They may not negotiate local performance accountability measures and they may not, as I mentioned earlier, develop and submit budget for activities of the local board in the local area.

281

00:43:44.520 --> 00:43:51.180

Nick: So there is has to be a separation and functions between the one stop up return and the board roles and responsibilities.

282

00:44:00.960 --> 00:44:04.620

Nick: As a State she's asking if there are any questions on on that specific questions.

283

00:44:12.660 --> 00:44:23.550

Nancy Meeden: hey Nick this is Nancy I was we were just trying to figure out what was a we're not sure what Anna was asking actually that she reached she stated the policy but we didn't know what the question was about.

284

00:44:26.670 --> 00:44:40.830

Jen Pirtle: Well, we did get another one that came in said, if the one stuff operator also provides career services must the one stop operator costs be categorized administration costs and career services as program costs.

285

00:44:41.430 --> 00:44:47.220

Jen Pirtle: And the two cannot be blended by the one stop operator in the service provider organization.

286

00:44:49.320 --> 00:44:52.410

Nick: But generally the coordination role.

287

00:44:53.490 --> 00:44:56.010

Nick: Of the one stop operator those basic.

288

00:44:57.510 --> 00:45:11.550

Nick: Governance roles are generally classified as as administrative costs because those are the functions that that are associated with administrator cause the service provider role that the one stop operating making form.

289

00:45:12.690 --> 00:45:16.020

Nick: would be a program costs and not a minister to cost.

290

00:45:20.280 --> 00:45:20.790

Jen Pirtle: Thanks, thank you.

291

00:45:22.170 --> 00:45:31.200

Nick: So obviously there has to be a distinction and clear line of demarcation between whatever administrative roles being performed by the one stop shop.

292

00:45:31.920 --> 00:45:41.490

Nick: That results in there being classified as admin costs and what are the program service world that that we thought the question and then being classified as program costs.

293

00:45:44.880 --> 00:45:50.100

Nick: Right now, there are provisions that allow for selecting sub recipients.

294

00:45:51.030 --> 00:45:57.750

Jen Pirtle: When we jump in there was a hand raised by abby and lexi do you want to unmute and ask your question.

295

00:45:59.070 --> 00:46:06.870

Abby Velazquez: Sorry, I didn't realize my my zoom name had my roommate on it um so, can you just clarify a little bit about.

296

00:46:08.010 --> 00:46:24.540

Abby Velazquez: What your statement about charging the os so costs as administrative costs because the administrative costs defined by wheel, are you know a little different than what I originally thought of as administrative costs so um can you speak up a little bit more.

297

00:46:25.770 --> 00:46:26.010

Abby Velazquez: well.

298

00:46:26.040 --> 00:46:33.990

Nick: First of all, as you're alluding to the definition of what's administrative costs in the WHO a regulations would govern here.

299

00:46:35.340 --> 00:46:39.120

Nick: And it's driven by what function is being performed in there are this two functions.

300

00:46:39.780 --> 00:46:53.520

Nick: that are specifically identified as administrative functions in the in the regulations and those would be your guide posts for determining whether or to what extent the one stop operating activities need to be classified as administrative costs.

301

00:46:55.950 --> 00:46:56.640
Abby Velazquez: Okay, thank you.

302
00:47:03.090 --> 00:47:03.450
Jen Pirtle: Okay.

303
00:47:06.000 --> 00:47:20.010
Jen Pirtle: Oh, another one came in for clarity here if the one staff operator is solely providing coordination and not providing direct services for adult dislocated worker or youth, then they are considered administrative costs.

304
00:47:21.720 --> 00:47:41.610
Nick: That would be my my reading on it, I mean obviously depends on on the more of the details involved and what functions are performing, but it is function driven and and I and the wi fi wi away regulations are very specific about what functions are classified as administrative functions.

305
00:47:43.080 --> 00:47:51.150
Jen Pirtle: say I want to look at the uniform guidance, there are, and who are who a yes, the background that yeah.

306
00:47:53.700 --> 00:47:54.690
Jen Pirtle: Okay, thanks thick.

307
00:47:55.920 --> 00:48:09.930
Nick: Alright, the next section will cover briefly is the alternative method when competitive procurement of Sub recipients is not required what is that method and what what is entailed and what must you do to file this process.

308
00:48:11.100 --> 00:48:27.420
Nick: And when you're doing a second sub recipients and not using a competitive process, you are acting as a pass through entity is the term that's used in the uniform guidance so let's go to cover this briefly what this means in terms of what you must fall what can be required to do.

309
00:48:33.840 --> 00:48:45.300
Nick: So understanding the key terms that go into this process, a non federal entity and that's any entity that receives federal funds it includes any type of entity, whether it's a for profit.

310
00:48:47.700 --> 00:49:00.360

Nick: Are non for profit, a governmental any type of organization is included, and the dll exceptions add seen in for profit and foreign entities to that list of what is considered a non federal entity.

311

00:49:01.740 --> 00:49:09.090

Nick: The past two entity is the entity that provides a sub award to a sub recipient to carry out part of a federal Program.

312

00:49:10.740 --> 00:49:23.520

Nick: notice that it is the Aliens results in selecting a sub recipient and that sub recipient is actually conducting part of a federal program they are providing program services, in other words.

313

00:49:24.780 --> 00:49:28.170

Nick: So there's key distinction here pass through several Ward.

314

00:49:30.510 --> 00:49:48.390

Nick: Results in the second hour sub recipient, whereas a procurement action typically results in selecting a contractor, so the difference between a sub recipient and contract have become, then the the distinction that that result from the method which they are selected.

315

00:49:50.340 --> 00:49:56.970

Nick: The State has a checklist on contract with sub recipient determination and that's represented on the next slide.

316

00:49:59.010 --> 00:50:08.460

Nick: The one stop operator, just to be clear, is a sub recipient but it's procured on a competitive basis because that's what's required in the wi la la la and regulations.

317

00:50:09.000 --> 00:50:17.850

Nick: So that still makes them a sub recipient but they're selected through a procurement process rather than through this other process would be talking about in this current site.

318

00:50:20.190 --> 00:50:26.730

Nick: So a pass through entity section, or whether sub recipients is not always that became an x, and this is the point I want to make.

319

00:50:28.080 --> 00:50:37.320

Nick: Where you're selecting service providers, for example, or and unless it's required by law regulations state local policy, for example, again.

320

00:50:38.640 --> 00:50:44.130

Nick: Where the one stop operator in the US service provider must be selected on a repetitive basis.

321

00:50:50.460 --> 00:50:53.130

Nick: So here is the the state's.

322

00:50:54.630 --> 00:50:59.400

Nick: checklist for determining whether an entity is a contract to a sub recipient.

323

00:51:01.140 --> 00:51:12.690

Nick: And I don't know if you can read that but I think you're probably all familiar with that already so I won't go into any of these details but go to the next side it's it's a different way of representing some of the same information.

324

00:51:14.430 --> 00:51:19.980

Nick: So what distinctions can be drawn between the role with sub recipient of the world contractor.

325

00:51:21.360 --> 00:51:22.530

Nick: For a sub recipient.

326

00:51:24.840 --> 00:51:28.830

Nick: Sub recipient often determines who is eligible to receive federal assistance.

327

00:51:30.960 --> 00:51:34.650

Nick: performance is measured by whether objectives of the federal program I being bad.

328

00:51:35.970 --> 00:51:38.610

Nick: They have programmatic decision making authority.

329

00:51:39.690 --> 00:51:49.260

Nick: And they're responsible for adhering to federal program requirements and they use federal funds to carry out a program for public purpose and.

330

00:51:49.740 --> 00:52:05.310

Nick: They are funded by the instrument called a sub award it's the language of the uniform guidance a contract, on the other hand, provide

similar goods and services to many different purchases and other you're purchasing off the shelf types of services or goods that the provider.

331

00:52:06.450 --> 00:52:08.850

Nick: Who provides too many different entities, including your own.

332

00:52:10.080 --> 00:52:12.630

Nick: They do so within normal business hours.

333

00:52:13.830 --> 00:52:18.120

Nick: They provide services and goods that are ancillary to the operation, the fellow Program.

334

00:52:19.290 --> 00:52:34.620

Nick: Usually that for goods or services that are for your own consumption you on use as as an as an administrative organization it's not to provide programs services it's to assist you and conducting your own internal operations.

335

00:52:35.670 --> 00:52:39.420

Nick: A contractor is not subject to the compliance requirements of the federal Program.

336

00:52:40.650 --> 00:52:46.290

Nick: They only must meet the terms of which you are using to purchase those goods or services.

337

00:52:48.150 --> 00:52:54.360

Nick: And, as I mentioned before, typically a chiropractor provides goods and services for the non federal entities own years.

338

00:52:55.020 --> 00:53:05.850

Nick: which then creates a procurement relationship with that entity and and a contractor is funded using a procurement contract, rather than as a rather than the sub award.

339

00:53:06.270 --> 00:53:13.440

Nick: that's made to a sub recipient, so the some general key distinctions between what is the sub recipient, and what is the contractor.

340

00:53:14.340 --> 00:53:26.520

Nick: And that decision becomes important because in in the uniform guidance, for example, there are requirements, then that are attached to any contract, you have with another entity.

341

00:53:27.240 --> 00:53:46.860

Nick: And they're also requirements that apply to you serving as a pass through entity and issuing a civil war to a sub recipient, so the distinction is port and not only in and of itself, but because then certain other requirements follow in terms of whether it is a contract or a sub recipient.

342

00:53:51.510 --> 00:53:55.020

Jen Pirtle: So Nick we did get one more question that came in that I just want to clarify.

343

00:53:55.680 --> 00:54:07.980

Jen Pirtle: If the one stop operator is a sub recipient shouldn't all costs related to them the program costs, and I think it's based on the function, whether the costs are admin or program related and not the entity is that right.

344

00:54:08.430 --> 00:54:08.970

Nick: that's correct.

345

00:54:10.560 --> 00:54:11.670

Nick: As I mentioned before.

346

00:54:13.320 --> 00:54:23.820

Nick: The uw aioli who a rags give a long list of functions that are classified as administrative functions and therefore it must be classified as administrative costs.

347

00:54:24.900 --> 00:54:31.020

Nick: So, to the extent that one stop operator performs those functions and some of them are governance types of functions.

348

00:54:31.800 --> 00:54:41.520

Nick: Queens I administrative functions, so you have to recognize that in some of those functions, they are administrative in nature and must be classified as administrative costs.

349

00:54:42.150 --> 00:54:54.060

Nick: Now, depending upon what is the additional role of the one stop operating, you may have a large majority of the costs actually being created this program costs if they are providing program services so.

350

00:54:54.540 --> 00:55:06.030

Nick: It just requires you to analyze this in this with respect to what function is being performed, and to what extent that function is administrative function as defined in the regulations.

351

00:55:10.890 --> 00:55:22.320

Nick: But the question is right and some sense that if, for example, you're just selecting a service provider to provide services program services and nazione responsibility, overall, the.

352

00:55:23.430 --> 00:55:27.630

Nick: entire cost of that sub award can be classified as program costs.

353

00:55:28.650 --> 00:55:37.440

Nick: But in the case of the one stop operator that you're not you're not purchasing just program services you're purchasing governance services as well.

354

00:55:42.180 --> 00:55:42.480

Jen Pirtle: Thank you.

355

00:55:43.380 --> 00:55:45.600

Nick: So when when selecting sub recipients.

356

00:55:46.740 --> 00:55:49.620

Nick: What guides you and making that determination.

357

00:55:50.940 --> 00:55:51.990

Nick: Uniform guidance.

358

00:55:53.130 --> 00:56:08.610

Nick: it's answer to almost every question is your internal control system meeting you'd have written procedures for conducting that selection process and that you have the necessary conflict to provision, a conflict of interest provisions written and in effect.

359

00:56:11.550 --> 00:56:19.860

Nick: You must conduct as part of an internal control system, a risk assessment, and this is required in who away regs as well.

360

00:56:20.970 --> 00:56:27.960

Nick: What is the sub recipients risk of non compliance with the Federal requirements are in your case also the state and local requirements.

361

00:56:30.090 --> 00:56:41.280

Nick: In order to determine what is the appropriate sub recipient monitoring so The fact is, you must take into consideration, you must conduct this risk assessment for every sub recipient you select.

362

00:56:42.720 --> 00:56:43.230

Nick: You must.

363

00:56:44.280 --> 00:56:47.520

Nick: review and determine what is their past record of performance.

364

00:56:49.860 --> 00:56:59.280

Nick: That the cost principles are the have their constant reasonable in the past what's their past record of complying with all applicable requirements federal state and local.

365

00:57:00.180 --> 00:57:07.590

Nick: And what are any audit or monitoring results that that suggests that there may be some element of risk and selecting that particular.

366

00:57:08.220 --> 00:57:24.300

Nick: entity as a sub recipient So these are the risk factors that you must take into account, you can add more risk factors to this list and it's probably as appropriate to do so, but these are the minimum risk factors, you must take into account before selecting a sub recipient.

367

00:57:30.390 --> 00:57:37.200

Nick: So, after the award is made, we please remember that a sub recipient is acting on your behalf.

368

00:57:38.190 --> 00:57:47.760

Nick: They like an extension of your organization, because you have taken them on to provide part of the program services you're responsible for providing so.

369

00:57:48.420 --> 00:57:58.800

Nick: If that sub recipient fails in any respect, whether it be programmatically failing, or perhaps incurring costs that are not allowable with you might ultimately be responsible for paying back.

370

00:58:01.440 --> 00:58:06.360

Nick: If that sub recipient fails in any respect that's that that's the failure for you as well, so.

371

00:58:08.610 --> 00:58:25.770

Nick: You must take be accountable for you are accountable for the activities and the results obtained and the cost incurred by your sub recipient, so therefore monitoring and the sub recipients compliance is critical to for your own protection if nothing more.

372

00:58:27.210 --> 00:58:40.980

Nick: So you want to monitor federal state and local requirements and performance scores, you want to be reviewing financial and performance reports, you want to ensure time a corrective action when you have noted that there are deficiencies either programmatically or financially.

373

00:58:42.660 --> 00:58:59.850

Nick: If they are finding some related to compliance and other issues, you must issue a written management decision, and you know from guidance goes into some detail, but what imagine i'm sorry the w w whoa a regulations describe what a management decision should entail.

374

00:59:01.170 --> 00:59:09.540

Nick: You must provide training and technical assistance when it's appropriate needed and you must consider taking enforcement action against any.

375

00:59:10.110 --> 00:59:19.050

Nick: any evidence of non compliance from from your sub recipients, so this remember you're responsible you're fully accountable for the actions and they conduct in the.

376

00:59:20.010 --> 00:59:33.270

Nick: cost the results obtained by your sub recipients and therefore you want to be sure that you're looking over their shoulder to make sure that they're not doing anything inappropriate to get themselves into trouble or to get you into trouble as well.

377

00:59:37.320 --> 00:59:39.090

Nick: Okay next, please.

378

00:59:41.220 --> 00:59:49.650

Nick: So we'll pause here for a moment in terms of this is the extent of the coverage of peculiar we're going to have in this presentation we're going to go later to.

379

00:59:51.000 --> 00:59:57.360

Nick: internal controls and firewalls and conflict of interest, more specifically, so are there any questions yeah.

380

00:59:57.510 --> 01:00:08.220

Jen Pirtle: We have one question that's come in um any general guidance on setting performance measures for for profit one stop operator organizations profits.

381

01:00:09.690 --> 01:00:10.380

Jen Pirtle: Profit level.

382

01:00:11.460 --> 01:00:18.870

Nick: Well, the one requirement is that you must negotiate profit, separate from the rest of the proposal.

383

01:00:20.130 --> 01:00:30.030

Nick: It can be wrapped in and hidden or within more general description of what price or cost they're proposing to provide services for.

384

01:00:31.050 --> 01:00:33.090

Nick: So it must be separately negotiated.

385

01:00:36.060 --> 01:00:38.310

Nick: Secondly, there is no exact.

386

01:00:40.290 --> 01:00:53.190

Nick: percentage profit rule on that governance, it must be reasonable, and it must be related to or be consistent with the level of risk that a that a.

387

01:00:54.000 --> 01:01:03.480

Nick: an operator is subject to I mean if there's very little risk in terms of what that operators doing, especially if it's like a performance contract.

388

01:01:04.560 --> 01:01:10.020

Nick: or just a costly investment contract for the most part, then then profit should be less.

389

01:01:11.550 --> 01:01:17.700

Nick: To the extent that there is risk or higher risk that's probably a justification for considering a higher rate of profit.

390

01:01:20.070 --> 01:01:26.130

Nick: I personally would not would not want to consider any profit that's more than 10%.

391

01:01:27.690 --> 01:01:36.480

Nick: But again, that depends on the circumstance, in terms of, as I said, primarily associated with what is the level of risk of the operators taking.

392

01:01:37.950 --> 01:01:43.200

Nick: Taking on that within Warren either a lower or higher rate of profit.

393

01:01:44.640 --> 01:01:49.410

Jen Pirtle: And then, a follow up, are there any specific measurements, that you would include avoid.

394

01:01:51.780 --> 01:01:53.130

Nick: measurements for.

395

01:01:54.030 --> 01:01:55.440

Jen Pirtle: um for.

396

01:01:56.670 --> 01:01:59.580

Jen Pirtle: I think its performance measures for the profit.

397

01:02:03.810 --> 01:02:10.800

Nick: Well profit, it should always be tied to to put meeting your performance goals that are in the award.

398

01:02:12.300 --> 01:02:19.500

Nick: And the more specific, those are the better, you are able to make determinations on whether in fact the contractor or sub recipient.

399

01:02:21.240 --> 01:02:31.260

Nick: achieve the goals that you expected them to achieve, and you would be wise to attach any award a profit, whether it's smaller or larger.

400

01:02:32.190 --> 01:02:45.540

Nick: To the accomplishment of all the goals and even the award so that should be a trigger for paying any profit is whether or not they they achieved the performance goals or any other goals that you put into that award.

401

01:02:46.800 --> 01:02:51.030

Nick: I don't have any specific examples, but again, you want.

402

01:02:52.140 --> 01:02:58.860

Nick: You want the organization to meet your expectations and earning a profit is is is.

403

01:02:59.940 --> 01:03:14.970

Nick: is subject to meeting those expectations, so that if you should work right really clearly in these in these agreements that any profit to be paid will be paid only upon successful performance meeting the standards are to stipulate in the agreement so.

404

01:03:16.770 --> 01:03:30.720

Jen Pirtle: Okay, and one more, and then we can move on, does the profit need to be negotiated separately, when the procurement is under the simple acquisition threshold, and I think the answer is no, when it's under that \$10,000.

405

01:03:32.490 --> 01:03:40.800

Nick: Now there's a general rule that applies in profit must be separately negotiated under in within all agreements some.

406

01:03:41.910 --> 01:03:44.790

Nick: I mean if you if you if you are.

407

01:03:47.040 --> 01:03:58.530

Nick: Now we're talking about sub recipients here now okay if you're buying paper from a paper supply house you're not asking them to identify what proportion of their cost of profit.

408

01:03:59.610 --> 01:04:10.800

Nick: This applies only to to sub recipients who are providing programs services and me it's a for for profit organization that then where these rules do apply.

409

01:04:13.560 --> 01:04:13.950

Jen Pirtle: Thank you.

410

01:04:19.260 --> 01:04:27.930

Nick: we're going to start next with covering some basic standards components of an internal control system and we're doing so because.

411

01:04:29.370 --> 01:04:34.980

Nick: firewalls and conflict of interest protections are essential elements of an internal control system.

412

01:04:36.420 --> 01:04:42.450

Nick: And the uniform guidance places heavy reliance on interfering your internal control system.

413

01:04:44.370 --> 01:04:47.190

Nick: In order to operate federal programs, and in fact.

414

01:04:49.320 --> 01:05:00.420

Nick: In many cases, uniform guidance says that your your actions and whatever context is being addressed must be consistent with your your established.

415

01:05:00.990 --> 01:05:10.320

Nick: internal control system, so when, in those cases it's really giving you a little bit more flexibility if you have a strong internal control system, there are some.

416

01:05:11.340 --> 01:05:27.750

Nick: More detailed kinds of things that are otherwise applicable that may not be because you've already covered them in your internal control system so it's important to have strong internal controls and we'll go briefly through what are some components of that internal control system.

417

01:05:33.450 --> 01:05:44.010

Jen Pirtle: Okay, and we are getting some questions in but i'm going to hold them until the end, because we do have a quite a bit of content to go through so stay tuned but keep the questions coming out keep track of them.

418

01:05:45.930 --> 01:05:59.760

Nick: What i'm going to use is one of the two sources for information about an internal control system, how to structure it and so forth, is from the Committee of sponsoring organizations of the treadway Commission or Kosovo to be brief.

419

01:06:01.140 --> 01:06:01.620

Nick: and

420

01:06:03.720 --> 01:06:10.620

Nick: And there is another source that i'll mention later when we get to the resources part of this, but I find this particular framework to be.

421

01:06:11.430 --> 01:06:20.790

Nick: Simple but in understandable, but still covering all the central elements of an internal control system and the components, the causal framework are.

422

01:06:21.510 --> 01:06:30.300

Nick: The setting of control environment risk assessment conducting control activities, providing information and communication and then monitoring.

423

01:06:30.840 --> 01:06:43.830

Nick: So we'll we'll cover each of these steps in the process of internal controls and then try to identify how that particular component applies to the questions we have regarding firewalls and conflict of interest.

424

01:06:49.410 --> 01:07:00.630

Nick: The first step is establishing a control environment, and by that the coastal means that the persons who are in leadership positions so set a positive tone at the top.

425

01:07:02.220 --> 01:07:06.390

Nick: They established a system of internal controls as part of an organizational culture.

426

01:07:07.650 --> 01:07:10.860

Nick: They value integrity ethical behavior and employee competence so.

427

01:07:12.030 --> 01:07:14.010

Nick: Whether it's your workforce board.

428

01:07:15.360 --> 01:07:19.170

Nick: you're one of the other organization, you might be in.

429

01:07:21.240 --> 01:07:30.600

Nick: A good control system starts at the top, with your leadership, emphasizing internal controls advocating for income controls and.

430

01:07:30.960 --> 01:07:40.800

Nick: and helping to move the organization forward in establishing a strong system of internal controls so once the applicability to firewalls.

431

01:07:41.310 --> 01:07:52.710

Nick: For the board for the CEO fiscal agent and sub recipients, is that you establish policies and implement procedures to create adequate firewalls as an internal control protection.

432

01:07:53.880 --> 01:08:05.250

Nick: You emphasize the importance of firewalls and promoting organizational and individual integrity and ethical behavior, and this is a responsibility to make this a responsibility of all organizations.

433

01:08:10.800 --> 01:08:18.300

Nick: The second component of an internal control system using the coastal framework is conducting a risk assessment.

434

01:08:19.410 --> 01:08:25.860

Nick: And I think this is critical and absolutely necessary went with respect to firewalls and conflict of interest.

435

01:08:26.850 --> 01:08:40.470

Nick: Because what this does is you assess the exposure to risk of loss roadblocks to accomplishing objectives and other vulnerabilities and you identify the methods and means that you will use to mitigate each risk factor.

436

01:08:41.610 --> 01:08:52.290

Nick: So applicability again to the board and participating organizations for firewall does you assess where the roles and functions of organizations of all organizations in your system.

437

01:08:52.800 --> 01:09:08.280

Nick: and individuals, where they overlap or conflict and dust or conflict and best represent potential firewall and conflict of interest weaknesses you can't resolve or avoid conflict of interest and firewall problems if you don't first.

438

01:09:09.300 --> 01:09:17.820

Nick: determine what is the level and the source of risk that the way organizations are structured or the way individuals perform their duties.

439

01:09:18.780 --> 01:09:26.670

Nick: creates the potential firewall conflict of interest problem, so you identifying where and how do these roles and functions, need to be separated.

440

01:09:27.030 --> 01:09:31.980

Nick: To mitigate risk and maintain adequate firewalls we'll be talking about separation, to a large extent.

441

01:09:32.760 --> 01:09:42.480

Nick: And in the rfp process, you should require competing organizations to identify their firewalls that separate the performance of multiple and in incompatible functions.

442

01:09:42.960 --> 01:09:52.530

Nick: This is especially true like, for example, with one stop operated if you're going to have them provide governance performing governance role, and also a program service delivery will.

443

01:09:54.240 --> 01:10:02.910

Nick: Put the burden on on that bitter to tell you how they are assure you that they have adequate firewalls and conflict of interest provision someplace.

444

01:10:03.930 --> 01:10:04.410

connects.

445

01:10:08.100 --> 01:10:10.470

Nick: Some of the control activities that.

446

01:10:11.880 --> 01:10:20.580

Nick: That you would exercise along the way, first of all, establish the policies and procedures that mitigate risk and help ensure that management decisions I carried out.

447

01:10:21.180 --> 01:10:30.810

Nick: And with respect to firewalls you want to clearly define the specific roles and functions of each organization division unit and individual staffers.

448

01:10:31.380 --> 01:10:43.260

Nick: Defining roles clarifying with those roles are is very important in order to first determine whether you have overlapping roles and therefore potential firewall conflict of interest issues.

449

01:10:44.940 --> 01:10:50.190

Nick: And that, of course, gives you an opportunity then to address those those issues and try to resolve them.

450

01:10:51.780 --> 01:10:59.910

Nick: You also want to establish policies and procedures that mitigate the identified risks associated with the lack of adequate firewalls and conflict of interest protections.

451

01:11:00.480 --> 01:11:07.500

Nick: You want to separate, to the extent possible, the roles functions and duties of every organization and units within the organization.

452

01:11:08.430 --> 01:11:18.360

Nick: And he went to establish oversight and monitoring capability, that is independent of the functions being monitored emphasis on independent a monitoring to be.

453

01:11:19.500 --> 01:11:20.100

Nick: credible.

454

01:11:21.420 --> 01:11:28.920

Nick: and produce the results you wanted to achieve must be independent and the function is being monitored if an organization is monitoring itself.

455

01:11:29.640 --> 01:11:49.470

Nick: Or if a person status is monitoring his or her own work and that's the extent of monitoring that's occurring obviously that's a self serving kind of relationship in and you're going to have certainly a conflict of interest problem there if not a firewall problem awesome.

456

01:11:55.050 --> 01:12:05.040

Nick: The fourth component, but they also standards are established effective information and communication systems that enable the organization to conduct manage and control its operations.

457

01:12:06.480 --> 01:12:08.940

Nick: So the applicability to firewalls is that.

458

01:12:10.830 --> 01:12:16.050

Nick: You want to communicate your policies and procedures to all applicable organizations and staff.

459

01:12:17.550 --> 01:12:25.410

Nick: You want to update and reinforce those policies and procedures on a regular basis if they're not current they're not going to be relevant to your operation.

460

01:12:26.190 --> 01:12:41.580

Nick: provide training to organizations that staff on what those policies and procedures are and you must want you want to maintain records and information systems that provide reliable reporting and the document compliance for firewall and conflict of interest requirements necklace.

461

01:12:45.240 --> 01:12:46.440

Nick: And finally, monitoring.

462

01:12:49.410 --> 01:13:00.360

Nick: Every organization and every activity and in that organizations performs should be monitored to determine whether they're effective and determine whether the controls that need to be.

463

01:13:01.350 --> 01:13:09.600

Nick: in place are in place or need to be updated so for firewalls you want to establish a monitoring and oversight function that is independent of the organization's.

464

01:13:09.960 --> 01:13:22.740

Nick: operational units and other functions being monitored, you want to monitor on a regular basis, you want to certainly monitor all organizations and functions were firewall and conflict of interest protections need to be enforced.

465

01:13:24.240 --> 01:13:34.560

Nick: You want to monitor all your sub recipients and including the one stop operator and you want to make sure that staff compliance is being overseen by supervisors and other management staff.

466

01:13:41.280 --> 01:13:42.960

Nick: The state is going to provide to you.

467

01:13:44.130 --> 01:13:45.030

Nick: A checklist.

468

01:13:46.140 --> 01:13:59.580

Nick: That we hope you would use to conduct your own self assessment of where you stand with respect to your internal control system, generally, as well as most specifically relating to firewalls and conflict of interest.

469

01:14:01.200 --> 01:14:17.070

Nick: Some of those statements, in fact I given citations because they are requirements, either in uniform guidance or in who a regulations others I simply just good management practices that we hope you would put in place for have in place already.

470

01:14:18.120 --> 01:14:23.850

Nick: It follows the framework that we discovered for kosove for internal controls.

471

01:14:25.260 --> 01:14:37.170

Nick: Using the five components of internal control system that coastal uses and then for each statement what we would hope you would do is check where yes, if the provision is in place already, that you have that taken care of.

472

01:14:39.180 --> 01:14:45.510

Nick: techno if the provisions not yet in place and therefore it's something you want to continue to follow up on.

473

01:14:46.590 --> 01:14:58.320

Nick: Or if it's not applicable in some cases, the provisions just are not applicable applicable to your particular organization, so the objective for all these statements, is to getting to a yes answer where it's applicable.

474

01:14:59.400 --> 01:15:08.610

Nick: So that will be coming after the training session is over, for you, and hopefully it'll be a good resource for you to assess for on your own.

475

01:15:10.110 --> 01:15:18.690

Nick: The extent to which you are, you are strong in terms of internal controls in general, as well as this respect to firewalls and conflict of interest.

476

01:15:23.160 --> 01:15:23.610

Nick: So we're going.

477

01:15:27.030 --> 01:15:34.950

Nick: To talk about firewalls More specifically, I see time is slipping away so i'll try to go quickly if possible next, please.

478

01:15:42.660 --> 01:15:54.240

Nick: The regulations and the uniform guidance office address firewalls and conflict of interest together in combination of the common phase and the uniform guidance, for example as.

479

01:15:55.200 --> 01:16:09.210

Nick: Whatever the context is provided that adequate firewall and conflict of interest protections are in place again this is in where uniform guidance is is is allowing you to.

480

01:16:11.280 --> 01:16:20.550

Nick: establish internal controls over firewalls and conflict of interest and if those are in place, then you have met to be quite often that requirement that's in you know functions.

481

01:16:22.200 --> 01:16:28.140

Nick: There is overlap in content and application between the firewall and a conflict of interest, but there are some distinctions.

482

01:16:28.680 --> 01:16:40.110

Nick: For firewalls generally they apply mainly to external organizational relationships and internal organizational structure so they're mostly organizational in nature.

483

01:16:41.970 --> 01:16:53.400

Nick: And we'll be going into more detail on that later, whereas conflict of interest more often applies to personal conduct, but there are some organizational applications for conflict of interest will talk about as well.

484

01:16:54.480 --> 01:16:55.050

connections.

485

01:16:59.940 --> 01:17:04.440

Nick: So what is a firewall it's a barrier or protection against an undesirable influence.

486

01:17:06.600 --> 01:17:12.930

Nick: And they involve functions that are performed or influenced by a single organization or individual.

487

01:17:14.010 --> 01:17:27.150

Nick: And the objective of a firewall is to separate incompatible roles and functions, where they occur between organizations between divisions and units within an organization and between staff functions within a single division or unit.

488

01:17:29.370 --> 01:17:46.500

Nick: Another element of firewall is oversight and monitoring, independent of the operations being monitored and then another aspect of firewall we'll talk about later are compensating controls when firewalls are the separation is not sufficient in itself to maintain the firewall standard.

489

01:17:54.780 --> 01:18:07.770

Nick: There are specific firewall rules that are embedded in wi oh eight and it says that you know sufficient firewalls must be in place when the same organization performs more than one of the following functions.

490

01:18:08.700 --> 01:18:20.820

Nick: And those functions are staff to the local workforce board fiscal agent, the one stop operator and the direct provider of services, whether those be career or training services so whenever.

491

01:18:22.050 --> 01:18:32.760

Nick: One entity one organization performs more than one of these roles, it raises questions about firewalls that must be addressed and resolved and we'll go into that some more.

492

01:18:37.980 --> 01:18:44.520

Nick: What our firewall solutions on, of course, ideally, it would do be total separation among these functions.

493

01:18:49.050 --> 01:18:51.570

Nick: But often that cannot occur, but.

494

01:18:53.370 --> 01:19:04.890

Nick: But if it can, that would be the ideal solution, and then it really eliminates the question about having adequate firewalls in place if these four functions that we just mentioned are performed by separate organizations.

495

01:19:06.150 --> 01:19:19.320

Nick: Obviously that's not the case in most most most local areas in Arizona, or in any other State, for that matter, so the question is other alternative firewall protections when you do have an organization performing one more than one of these rules.

496

01:19:20.880 --> 01:19:33.180

Nick: And sometimes in fact having one organization perform more than one role is justifiable when it's the best option for you, given your circumstances where it might be otherwise unavoidable where you have no other good option.

497

01:19:34.380 --> 01:19:43.530

Nick: But when multiple functions are performed by the same organization, you must have alternative firewall protections in place, because you do not have.

498

01:19:43.920 --> 01:19:53.970

Nick: The the what I call the idea, which is the separation total separation of these functions, so when you don't have total separation, you have a firewall issue you have to be aware of and address.

499

01:20:00.180 --> 01:20:13.560

Nick: Some of these statement that's file a come off of this checklist that you will be provided in terms of doing your own self assessment of the status of your internal controls and firewall and conflict of interest protections.

500

01:20:14.790 --> 01:20:25.170

Nick: So the first statement, there is the local workforce Development Board, where the administrative envy on behalf of the Board has supported and promoted the establishment of an internal control environment.

501

01:20:25.800 --> 01:20:30.120

Nick: that fosters integrity ethical values and competence across the entire workforce system.

502

01:20:31.650 --> 01:20:35.010

Nick: This is equivalent to the to the causal.

503

01:20:36.270 --> 01:20:45.300

Nick: component regarding leadership, the role of leadership and setting a tone and established in the expectations of leadership for an internal control system.

504

01:20:46.110 --> 01:20:56.790

Nick: So, in your local area for the most part the board subset tongue and it applies that those then requirements to every organization that's part of your workforce system.

505

01:20:59.220 --> 01:20:59.520

Thank you.

506

01:21:08.610 --> 01:21:17.850

Nick: Risk assessment should be performed by each organization in terms of evaluating its own risk element of risk with respect to lack of firewall conflict of interest protections.

507

01:21:20.820 --> 01:21:32.490

Nick: So that each organization is doing its own due diligence in terms of assessing to what extent it has potential firewall and conflict of interest issues and, therefore, is exposed to risk.

508

01:21:33.720 --> 01:21:38.010

Nick: The Board should also do that same thing for itself, but also should make sure that.

509

01:21:39.570 --> 01:21:40.140

Nick: All the.

510

01:21:41.160 --> 01:21:56.160

Nick: All the operators in the workforce system have conducted their own risk assessment and perhaps even the board might do more than that and help her conduct its own assessment of risk of each of the.

511

01:21:57.360 --> 01:22:00.090

Nick: participating parties in the workforce system.

512

01:22:01.230 --> 01:22:12.000

Nick: So the point is to identify the areas of exposure to risk and and that should be done by each entity, as well as the Boards overall responsibility to make sure that gets done.

513

01:22:13.380 --> 01:22:21.480

Nick: and disciplined applies of course to all entities that before multiple roles and they need to assess the risk on an ongoing basis.

514

01:22:26.370 --> 01:22:31.800

Jen Pirtle: Actually, one quick clarification i'm someone asked what is the administrative entity.

515

01:22:33.840 --> 01:22:35.580

Jen Pirtle: Or what is an administrative entities.

516

01:22:37.140 --> 01:22:47.460

Nick: Well, this varies by state and by local area um some some do not have administrative entities at all it's sort of a carry over from from GPA.

517

01:22:48.810 --> 01:22:55.710

Nick: Where there was an administrative entity function identified specifically with respect to a TPA job training partnership back.

518

01:22:57.240 --> 01:22:58.980

Nick: And, but.

519

01:23:01.290 --> 01:23:08.640

Nick: In some places the the functions of the Board and staff to the board, whether our our staff directly to the board.

520

01:23:09.180 --> 01:23:21.000

Nick: In other cases, the Board has basically, given that responsibility to another entity and administrative entity that helps the board perform some of the roles that the Board is responsible for.

521

01:23:22.050 --> 01:23:34.740

Nick: So, in those cases where you have an administrative entity, they should be helping the board and conducting this type of risk assessment if there is no administrative entity, then the staff to the Board should be helping the board conduct this kind of risk assessment.

522

01:23:42.060 --> 01:23:42.630

Nick: Third.

523

01:23:44.010 --> 01:23:49.920

Nick: component are are the set of kroto activities that can be conducted to help mitigate the risk.

524

01:23:51.420 --> 01:23:51.900

Of.

525

01:23:53.280 --> 01:24:03.480

Nick: and weaknesses in in the internal control system and the first one of these is to establish policies and procedures that creates those firewalls.

526

01:24:03.930 --> 01:24:13.350

Nick: and incorporate other appropriate internal control safeguards that address the areas of risk that have been identified during the risk assessment process that we just talked about.

527

01:24:15.120 --> 01:24:23.430

Nick: The firewall and internal control provisions should be in writing, and it could be applied to every organization in the workforce system.

528

01:24:31.380 --> 01:24:42.960

Nick: Another control activity we talked about before really is this critical step clearly defining the roles and functions of all the actors in the local workforce system.

529

01:24:44.550 --> 01:24:47.520

Nick: If those roles are not clearly defined.

530

01:24:48.570 --> 01:24:52.800

Nick: it's not possible to identify what firewall and conflict of interest.

531

01:24:53.880 --> 01:25:10.590

Nick: Issues may arise and therefore it's not possible to monitor and evaluate the performance, with respect to firewalls and and conflict to actors, so the definition of roles is very important for the board and its own committees.

532

01:25:12.540 --> 01:25:23.670

Nick: The role of the staff to the local board if that's how your structured, the role of the fiscal agent, as defined by the chief elected official should be very specific in terms of what are the duties of the fiscal agent.

533

01:25:25.170 --> 01:25:29.340

Nick: and also the very administrative entry, if you have one that's separate from the board.

534

01:25:30.510 --> 01:25:40.890

Nick: As we mentioned before, definitely the all the functions to be performed by the one stop operators should be clearly defined, as well as the roles and responsibilities.

535

01:25:41.940 --> 01:25:43.290

Nick: By service providers.

536

01:25:45.720 --> 01:25:46.260

Next, please.

537

01:25:51.750 --> 01:25:57.150

Nick: So there must be safeguards in place so that, if the one stop operator is also serving as a service provider.

538

01:25:59.160 --> 01:26:08.730

Nick: The one stop operator may not develop manager conductor competition of a service provider, in which it intends to compete, as we mentioned earlier, you can be both judge and jury.

539

01:26:09.810 --> 01:26:10.770

Nick: In and.

540

01:26:12.060 --> 01:26:17.520

Nick: participate in a competitive process, and then you be the deciding factor, but who wins at that competition.

541

01:26:19.380 --> 01:26:27.900

Nick: Also, the one stop shop or may not perform subsequent oversight, monitoring and evaluation of performance of itself as a service provider.

542

01:26:28.920 --> 01:26:32.250

Nick: So if you have a one stop operator before it providing.

543

01:26:33.330 --> 01:26:34.740

Nick: career services, for example.

544

01:26:36.030 --> 01:26:40.590

Nick: You cannot rely upon them to evaluate it has be the source of evaluating the.

545

01:26:41.070 --> 01:26:55.620

Nick: success and the performance of that service provider, since they are the service provider so again does not independence between the those two roles and, therefore, those are incompatible roles that in monitoring and evaluation should be performed by a third party.

546

01:26:57.900 --> 01:27:07.770

Nick: And in fact when you do independent monitoring of the one stop operators performance, you are, in fact, establishing the firewall protection so monitoring is an important element in any.

547

01:27:08.910 --> 01:27:14.400

Nick: In any internal control system and, as well as in safeguard india's firewall issues.

548

01:27:24.240 --> 01:27:26.970

Nick: If the one stop operator is also a service provider.

549

01:27:28.050 --> 01:27:31.800

Nick: The one stop operator has established firewalls and internal controls.

550

01:27:33.240 --> 01:27:38.880

Nick: And the Board has implemented specific policies and procedures regarding oversight, monitoring and evaluation of performance, so the.

551

01:27:39.690 --> 01:27:50.880

Nick: whatsapp operate a service provider role, and as I recommended earlier, I would strongly suggest that you require bidders who are vying for selection, as both a one stop operator in the service provider.

552

01:27:51.720 --> 01:28:01.620

Nick: to identify their own firewalls so those firewalls can be evaluated during the proposal writing process and meeting the boys policy and firewall protections, in other words.

553

01:28:02.190 --> 01:28:16.920

Nick: First, put the put the burden on in this case the one stop operator bitter to satisfy you that they have put adequate firewalls in place when they are acting both as one stop operator in a service provider.

554

01:28:18.360 --> 01:28:28.710

Nick: So that's always a place to start asked the organization to tell you how they're doing it, and then you can determine whether that's sufficient in terms of meeting your your standards and your policies that are established by the board.

555

01:28:35.280 --> 01:28:35.700

Nick: Another.

556

01:28:41.310 --> 01:28:51.540

Nick: Another part of the causal framework is communication and and for firewalls do you want to provide guidelines and training on firewall protections to are participating organizations.

557

01:28:52.530 --> 01:28:58.800

Nick: And the local areas to train their staff to to the policies being followed, especially when there is turnover.

558

01:29:00.000 --> 01:29:00.450

Nick: Next.

559

01:29:05.520 --> 01:29:14.280

Nick: The boy, to establish a comprehensive system oversight and monitoring, which covers all entities that provide programs services and perform administrative functions.

560

01:29:15.180 --> 01:29:26.790

Nick: It is not sufficient to rely on federal and state monitoring you can't say, well, the state comes out monitors us annually, and therefore we don't need to do any more monitoring, that is not a good answer that's not a sufficient.

561

01:29:27.810 --> 01:29:37.110

Nick: level of monitoring, you must conduct your own monitoring as well, and it is also even less reliable to rely on a single audit act auditors.

562

01:29:37.920 --> 01:29:50.160

Nick: Because they do not monitor every participating organization they typically do not monitor firewalls and usually they don't express an opinion on the organization's internal control system so.

563

01:29:51.960 --> 01:29:56.400

Nick: You can't rely upon the auditor, to give you a pass on your monitoring responsibilities.

564

01:30:03.780 --> 01:30:07.980

Nick: As we mentioned earlier when you can't establish absolute separation.

565

01:30:10.380 --> 01:30:14.970

Nick: Your needs to be some way of overcoming that that problem.

566

01:30:16.500 --> 01:30:30.930

Nick: When when separation is not past the the possible solution and we call these compensating controls, in other words, they compensate for for what are otherwise insufficient firewall and conflict of interest protections.

567

01:30:33.210 --> 01:30:43.140

Nick: So the board or the administrative and reacting, on behalf of the Board should establish a system of compensating controls that detect and overcome any firewall weaknesses that may exist.

568

01:30:44.160 --> 01:30:50.340

Nick: As mentioned that compensating controls compensate for firewall protections that are not sufficient in and of themselves.

569

01:30:51.450 --> 01:31:01.710

Nick: And you need to provide vigorous rigorous protection against firewall and conflict of interest risk and the responsibility, the organization to develop, implement and document those controls.

570

01:31:04.350 --> 01:31:07.020

Nick: will go into more detail about compensating controls as we move on.

571

01:31:08.550 --> 01:31:10.410

Nick: So what are the next place.

572

01:31:14.070 --> 01:31:26.040

Nick: So what are the process steps that I would expect to see in terms of your examining what are possible compensating controls, where you don't have absolute separation.

573

01:31:28.080 --> 01:31:35.820

Nick: you first of all need to identify the specific firewall weaknesses were functions overlap, this is like part of your risk assessment, we talked about earlier.

574

01:31:37.140 --> 01:31:54.510

Nick: and determine that you cannot overcome this problem by by separation alone, so you have to identify alternative ways to overcome that weakness and you must obtain a commitment from effective organizations to implement the solution that you have come up with in terms of overcoming.

575

01:31:55.800 --> 01:31:57.810

Nick: The insufficient firewall separations.

576

01:31:58.860 --> 01:32:08.910

Nick: You must also then monitor for compliance with a solution and evaluate its effectiveness and, of course, monitoring must be independent of and separate from the functions being.

577

01:32:09.780 --> 01:32:23.340

Nick: From the entity performing those functions, so the objective is to monitor detect any issues to mitigate those issues and then document, the resolution of those issues notice document is and caps.

578

01:32:27.180 --> 01:32:37.560

Nick: If the state or the federal government comes in, and you don't have a document to support what you've done, then it is going to be interpreted as not having done anything so documentation is very important.

579

01:32:38.790 --> 01:32:39.270

Next, please.

580

01:32:41.850 --> 01:32:44.760

Nick: So we're in or in Arizona do we have some.

581

01:32:46.530 --> 01:33:01.140

Nick: firewall issues or potential ones anyway in there are seven local areas where the board staff fiscal agent the doll dislocated worker service provider and you've service provider, are all the same entity same organization.

582

01:33:02.340 --> 01:33:21.720

Nick: So they they're performing all the form roles that the wi fi regulations say must be must be separated, or else there must be firewalls protecting against any lack of separation that that does exist in one local areas, the board staff is also the fiscal agent.

583

01:33:23.400 --> 01:33:38.190

Nick: Again, those are incompatible roles and need firewall protections there's one area where the board SAF the one stop operator and the adult dislocated workers service provider and then you service provider or the same organization.

584

01:33:40.080 --> 01:33:48.750

Nick: A lot of potential firewall issues there and one there's also one local area where the board staff is also the fiscal agent and the service provider.

585

01:33:49.620 --> 01:34:03.720

Nick: And finally there's one local area where the board staff is also the adoption and dislocated workers service providers so each of those alignments and I think the President, almost every local area and Arizona, to some extent.

586

01:34:04.800 --> 01:34:12.030

Nick: presents firewall issues that have to be addressed and using and recommend using the methodology we've been talking about in terms of.

587

01:34:13.500 --> 01:34:23.850

Nick: Evaluating risk and determining what what method can be taken to overcome admitted, including establishing compensating controls when all other separation.

588

01:34:25.500 --> 01:34:27.000

Nick: fail or not present.

589

01:34:28.800 --> 01:34:29.340

nexus.

590

01:34:34.650 --> 01:34:42.390

Nick: So what are the steps to mitigate firewall issues, and this is a handout that the State will be providing to you also it's just sort of.

591

01:34:43.410 --> 01:34:52.470

Nick: Our suggested, step by step process to follow in terms of identifying organizations that that perform multiple roles, first of all.

592

01:34:54.600 --> 01:34:56.670

Nick: You want to know where there are possibilities of.

593

01:35:02.610 --> 01:35:15.330

Nick: internal control issues and that arises from performing these multiple roles that we've been talking about you want to also identify the organizational units and staff positions that perform these functions within each role.

594

01:35:16.590 --> 01:35:21.510

Nick: Thirdly, you want to determine whether the functions are sufficiently separated within the organization.

595

01:35:22.560 --> 01:35:37.470

Nick: By means of, for example, having separate staff and supervisors perform those functions and report separately to upper management, in other words one part of the organization is performing one role as another separate part of the organization that's performing the.

596

01:35:38.490 --> 01:35:39.630

Nick: The conflicting role.

597

01:35:41.700 --> 01:35:55.350

Nick: And it's separately perform separate staff performing those roles separate supervision and reporting separately, then up to upper management what the activities of those those sub units are so in that case.

598

01:35:56.280 --> 01:36:01.050

Nick: If you can determine that those functions are sufficiently separated within the same organization.

599

01:36:02.310 --> 01:36:15.840

Nick: Then you could possibly conclude that there are sufficient firewalls in place, but if not, then you have the organization must determine whether it can reorganize the functions to achieve those adequate separation.

600

01:36:16.860 --> 01:36:23.880

Nick: And if even then adequate separation cannot be achieved, then you need to identify the compensating controls to mitigate the lack of sufficient separation.

601

01:36:24.870 --> 01:36:31.980

Nick: So hopefully this handout will be helpful, as you walk through your own processes to see whether or not you have sufficient firewall protections in place.

602

01:36:37.740 --> 01:36:56.820

Jen Pirtle: yeah before we before we move on, I just want to make a clarification um the designation of administrative entity as staff to the local workforce Development Board, it is the role of the local boards to make the designation of the staff.

603

01:36:58.110 --> 01:37:04.380

Jen Pirtle: So just so just so that's clear, it is the board's responsibility to identify this staff.

604

01:37:05.520 --> 01:37:06.060

Jen Pirtle: Or the board.

605

01:37:08.850 --> 01:37:13.620

Jen Pirtle: and not the CEO or the or the local chief elected official.

606

01:37:14.670 --> 01:37:14.910

Right.

607

01:37:16.020 --> 01:37:17.970

Nick: or any other entity, as you said, Jen it's.

608

01:37:18.780 --> 01:37:28.080

Nick: The board's responsibility to determine how it will perform its staff functions, whether it be staff directly responsible to the board, or whether it be through a third party.

609

01:37:29.400 --> 01:37:31.290

Nick: administrator of entertainment something of that nature.

610

01:37:32.220 --> 01:37:41.430

Jen Pirtle: Right and that got us another question that said what would be the conflict of having an organization being both staff to the Board and the fiscal agent.

611

01:37:45.720 --> 01:37:48.780

Nick: Well, it depends again on what the role of the fiscal agent is.

612

01:37:49.860 --> 01:38:04.740

Nick: and actually what the role of the staff to the Board is, it is a an analytical process where you sort of put a side by side, the roles of both entities there and see whether or not any roles or functions overlap.

613

01:38:06.780 --> 01:38:14.700

Nick: And without knowing how your structured, or what what roles each of those entities performed that hard for me to give you a general answer but.

614

01:38:15.180 --> 01:38:31.260

Nick: it's part of the of the analysis and the risk assessment that we talked about earlier where with roles that I specifically defined, you can sort of putting the roles of one organization or one entity next to another and to see Okay, where do we have the possibility.

615

01:38:32.520 --> 01:38:42.990

Nick: of an overlap in in roles and therefore were separation of some sort, or at least an internal control of some sort must be put in place great.

616

01:38:43.170 --> 01:38:53.670

Jen Pirtle: Thank you, we did get a similar other question around that, so I think nick's answer is totally accurate you'll take a look at the roles right next to each other and see if there is any.

617

01:38:54.120 --> 01:39:00.690

Jen Pirtle: potential conflict of interest if even if it's not actually there if there's an apparent conflict of interest you might want to address.

618

01:39:17.130 --> 01:39:20.460

Nick: So when the one stop operator is the service provider.

619

01:39:23.040 --> 01:39:29.880

Nick: What policy and firewall should you try and what process if you're trying to file to make sure you have sufficient firewalls in place.

620

01:39:30.690 --> 01:39:41.850

Nick: So we have to combine the two functions in the solicitation for the West up operator, as I mentioned before, it makes it one stop operative bitter the bitter for that we're all responsible for.

621

01:39:43.530 --> 01:39:52.200

Nick: convincing you that they have adequate firewalls and internal controls in place as as when they also serving as a service provider, that is required.

622

01:39:53.760 --> 01:39:59.100

Nick: Make firewalls and internal controls part of the solicitation and bid proposal requirements.

623

01:40:01.350 --> 01:40:05.370

Nick: In other words, making an evaluation factor, whether or not.

624

01:40:06.810 --> 01:40:11.280

Nick: The bitter has demonstrated that they have sufficient firewalls in place.

625

01:40:13.110 --> 01:40:21.870

Nick: The one with the board as the wording agency, the Board should approve the only one stop operators firewalls and other terms of operation as a service provider.

626

01:40:23.670 --> 01:40:26.940

Nick: And I should be measurable goals for each function that can be monitored.

627

01:40:29.730 --> 01:40:34.320

Nick: When the Board is overseeing the monitoring the one stop operating as a service provider.

628

01:40:34.920 --> 01:40:48.150

Nick: Is the boat should be checking whether the firewalls are operating as intended presuming that sufficient firewalls will put in place, and they speak and you should be looking at actual versus plan results and make sure you're getting back with do expected from from the sign.

629

01:40:49.440 --> 01:41:01.740

Nick: and any report on monitoring and the one stop operating it should go to the board and not to the also itself, no matter who conducts that monitoring it's a responsibility to inform the board of the results of that monitor.

630

01:41:03.450 --> 01:41:03.990

Next, please.

631

01:41:10.830 --> 01:41:29.490

Nick: The typical active fiscal official is the fiscal agent in all but one local area in Arizona so clearly the CEO has the sole authority to select the fiscal agent and there's no restriction on on who that fiscal agent might be at the at the discretion of the chief elected official.

632

01:41:31.680 --> 01:41:35.910

Nick: And deflect official is responsible for defining the role of the fiscal agent.

633

01:41:37.050 --> 01:41:54.180

Nick: There are some required roles that fiscal agent performs in their additional roles that may be performed but it's a CEO responsibility to define those roles and sufficient detail so that, in this context, we know that there are there are sufficient firewalls in place.

634

01:41:55.710 --> 01:41:56.550

Nick: The when.

635

01:41:58.470 --> 01:42:06.840

Nick: When the CEO is also asked acting as the fiscal agent that must be memorialized in a written agreement between the Board and the CEO.

636

01:42:07.590 --> 01:42:25.230

Nick: And it must describe how the CEO will carry out its responsibilities as a fiscal agent, so the CEO has the world exclusive waiting to find them, I mean has the authority to exclusively find the role of the fiscal agent, but the board also has a role in approving through a written agreement.

637

01:42:26.280 --> 01:42:27.570

Nick: What do it is the.

638

01:42:29.520 --> 01:42:32.760

Nick: CEO will carry out in terms of responsibilities of the fiscal agent.

639

01:42:33.870 --> 01:42:40.320

Nick: And in that regard, then see almost didn't apply any necessary firewalls between the two well as fiscal agent and its other roles.

640

01:42:43.320 --> 01:42:49.380

Nick: And the boards and CEO need to identify it's a method of providing independent oversight over the firewall protections.

641

01:42:52.890 --> 01:43:05.520

Nick: And again, as we mentioned before the oversight should include the evaluation, whether the firewalls are working or the fiscal agent duties being performed satisfactorily and other results being reported back directly to the board.

642

01:43:07.740 --> 01:43:07.980

Nick: Next.

643

01:43:14.520 --> 01:43:22.290

Nick: When staff to the CEO of fiscal agent asked is also serving as a service provider, this is the case in in 10 local areas, I believe.

644

01:43:24.990 --> 01:43:41.250

Nick: Again it's important important to define the role of staff serving that sequel active fiscal or see chief elected official our fiscal agent and their roles as service provider again identifying roles in detail is the first step.

645

01:43:43.830 --> 01:43:50.370

Nick: And then the process, then you identify the divisions and units that are performing each of the roles that that these entities are performing.

646

01:43:51.930 --> 01:44:05.820

Nick: identify the individuals in within each division and unit performing each of the roles that were were concerned about identify then whether it's any good overlap and performing both roles of organizational overlap as well staff.

647

01:44:07.560 --> 01:44:08.190

Nick: overlap.

648

01:44:09.660 --> 01:44:11.670

Nick: And where overlap does exist.

649

01:44:12.750 --> 01:44:25.590

Nick: Then for organization overlap, you must identify the method to separate the functions of the units and for staff, you must identify a method of separating the duties incompatible duties that that might be president.

650

01:44:27.000 --> 01:44:33.870

Nick: But if separation is not totally possible, then the next step, of course, as we said before, is identifying competency controls.

651

01:44:34.980 --> 01:44:40.560

Nick: Some of those might include separate separate supervisory chain of command separate reporting structure.

652

01:44:42.420 --> 01:44:47.970

Nick: board oversight if the if the Board has a oversight, not a committee which would be a good idea if you don't have one.

653

01:44:49.860 --> 01:44:52.920

Nick: That the board or the Committee approves those controls.

654

01:44:54.810 --> 01:45:02.550

Nick: And then does independent monitoring, reporting back to the board directly and if you have an oversight committee to report back to an oversight committee.

655

01:45:08.160 --> 01:45:09.330

Nick: conflict of interest.

656

01:45:12.600 --> 01:45:15.450

Nick: There are three classifications of conflict of interest real.

657

01:45:16.680 --> 01:45:18.960

Nick: meaning the conflict is actual in certain.

658

01:45:20.250 --> 01:45:29.130

Nick: For example, with the one stop operators select itself as a service provider, that is obviously a real conflict of interest, there are potential conflicts of interest.

659

01:45:30.270 --> 01:45:42.900

Nick: In it could where it could develop into a real conflict of interest, depending on circumstances one example, might be let's say the the one stop operator director leaves a position to become the Boards executive director.

660

01:45:45.330 --> 01:45:52.320

Nick: So there's a potential that person to to affect the or influence the decisions made with respect to the monster waiting.

661

01:45:53.040 --> 01:46:01.740

Nick: And, in those cases, then disclosure and we closed and recusal from decision making with respect to that one stop operative might be might be appropriate.

662

01:46:02.610 --> 01:46:10.650

Nick: So it is not an absolute a real conflict of interest it's a potential one I mean it means that could develop into a real conflict of interest, depending upon.

663

01:46:11.790 --> 01:46:13.140

Nick: specific circumstance.

664

01:46:14.160 --> 01:46:16.950

Nick: And the third category is apparent conflict of interest.

665

01:46:18.060 --> 01:46:21.480

Nick: It appears to be a conflict, whether it's real or potential or not.

666

01:46:22.560 --> 01:46:33.360

Nick: And usually, this is a judged in the public mind as being where it appears to be a conflict of interest and, as some of you may know, and certainly a lot of places it's happened where that.

667

01:46:34.440 --> 01:46:40.770

Nick: appearance, a conflict of interest makes headlines in your local newspaper or on your local news station so.

668

01:46:42.840 --> 01:46:43.710

Nick: There are.

669

01:46:45.000 --> 01:46:50.460

Nick: A lot of good reasons to avoid apparent conflict in and of themselves and and to avoid bad publicity.

670

01:46:51.840 --> 01:46:52.380

Nick: Okay next.

671

01:46:56.940 --> 01:47:08.100

Nick: Regarding conflict of interest and code of conduct for conflict of interest the uniform gardens requires a conflict of interest policy in place for any employee participating in a permit transaction.

672

01:47:09.090 --> 01:47:15.810

Nick: But it's also recommended good business practice to apply conflict of interest policies to all employees.

673

01:47:16.890 --> 01:47:32.850

Nick: And that policy should address situations where employees have outside or additional employment or interests for code of conduct regarding ethics that must include for all employees engaged in procurement transactions and administration level words.

674

01:47:34.620 --> 01:47:44.640

Nick: And it also would be recommended to the sound business practice to have an agency wide code of ethics policy for all employees managers and board members next, please.

675

01:47:49.290 --> 01:47:59.430

Nick: So what's the basis in for standards of conduct a conflict of interest the uniform guidance requires every organization to establish policies for federal awards.

676

01:48:00.300 --> 01:48:10.470

Nick: And, and that includes written standards of conduct for anyone who touches the process in regarding the second award or administration of contracts or sub recipients.

677

01:48:11.340 --> 01:48:21.900

Nick: The way there's a real or apparent conflict of interest, whether it's personal or organizational neither solicitor accepted anything a monetary value and where our staff.

678

01:48:23.340 --> 01:48:28.170

Nick: family members partners and other relationships we introduced.

679

01:48:29.280 --> 01:48:44.880

Nick: A potential conflict where there could be a potential payback or tangible benefit received in return, so those areas must be addressed in any standards of conduct which is required element of your internal control system.

680

01:48:47.370 --> 01:48:48.540

Okay necklace.

681

01:48:52.170 --> 01:48:59.190

Nick: You do have a conflict with this policy that's been issued by the state's workforce Arizona Council it applies to local board to.

682

01:48:59.820 --> 01:49:07.440

Nick: Local workforce administrative entities one stop operators and work for stakeholders and other entities as well.

683

01:49:08.310 --> 01:49:19.830

Nick: And the objective is to establish guidelines for conflict of interest firewalls and internal controls required under wi away for boards and entity serving in more than one role in the Arizona at work system.

684

01:49:21.510 --> 01:49:30.120

Nick: So the state has gone beyond what are the federal requirements made additional specific requirements that apply that you have to fall.

685

01:49:38.490 --> 01:49:51.990

Nick: There are written agreement requirements in state policy where they must be executed between the entity serving in multiple roles and include on the on the Board and the chief elected official as approving.

686

01:49:52.590 --> 01:50:07.710

Nick: sign off on on those on entities performing multiple roles and, of course, the criteria includes point mallya whether that's sufficient firewall and conflict of interest protections built into that method of operation.

687

01:50:09.300 --> 01:50:14.760

Nick: It must specify this written agreement must specify how the organization will carry out his responsibilities.

688

01:50:15.600 --> 01:50:31.650

Nick: demonstrate compliance with wi la and other regulations and coding the uniform guidance of the state's conflict of interest policy, and it must include requirements for internal controls conflict of interest and firewall so the state is is elaborating on what.

689

01:50:32.940 --> 01:50:34.620

Nick: That really must do have these.

690

01:50:37.020 --> 01:50:40.920

Nick: protections in place, but there must be a written agreement between.

691

01:50:42.270 --> 01:50:52.980

Nick: The entity and performing multiple roles in agreement with the Board and the TIF elected official so it just adds another layer of responsibility.

692

01:50:54.480 --> 01:50:59.280

Nick: Protection in the system so it's a good good a good policy for the state to fall.

693

01:51:04.830 --> 01:51:16.920

Nick: Staff conflict of interest again it's relating to procurement you can't participate a staff person can participate in the selection award or administration of a contract, if there is a real or apparent conflict of interest.

694

01:51:18.600 --> 01:51:25.050

Nick: That might be represented as a financial interest or other tangible personal benefit involved, and in that role.

695

01:51:25.650 --> 01:51:30.390

Nick: And it is pies again that he mentioned to the administration of an award and not just a selection so.

696

01:51:30.870 --> 01:51:37.140

Nick: If there is an apparent conflict of interest, for example, for that person that person cannot be a monitor of that Program.

697

01:51:37.740 --> 01:51:54.180

Nick: Because there is an apparent and sometimes a real conflict of interest involved, so there has to be separation between that person role and the administration of the award that they may otherwise to have some conflict arising from.

698

01:51:55.680 --> 01:51:56.220

Next, please.

699

01:51:58.890 --> 01:52:02.070

Nick: For organizations, again, you know uniform guidance.

700

01:52:03.240 --> 01:52:10.770

Nick: addresses situations where organizations have a conflict of interest, where they have a parent company affiliate or subsidiary organization.

701

01:52:11.430 --> 01:52:24.270

Nick: And the they are unable to appear to be unable to be impartial conducting human action involving a related organization so whenever you have related organizations involved on both sides of the process that represents a.

702

01:52:25.500 --> 01:52:29.100

Nick: In some cases, a real conflict of interest or certainly an apparent conflict of interest.

703

01:52:30.510 --> 01:52:36.390

Nick: Likewise, if if if the enemy has apparent affiliates subsidiaries, that is not a state local government into tribe.

704

01:52:37.470 --> 01:52:47.670

Nick: The Non federal entity must maintain bitten standards of conduct covering organizational conflicts of interest, so, in other words, any non government organization or tribal organization.

705

01:52:49.380 --> 01:52:58.260

Nick: must have written the standards of conduct covering organizational conflict of interest per the requirements that uniform guidance, so this corresponds as we've been covered.

706

01:52:59.490 --> 01:53:04.620

Nick: In coincide with the firewall requirement when one stop operate is also the service provider.

707

01:53:10.170 --> 01:53:12.840

Nick: Who a requires that.

708

01:53:16.470 --> 01:53:24.960

Nick: The Board, we require the one stop or operator to disclose any potential conflict of interest with particular training or other service providers.

709

01:53:26.160 --> 01:53:33.900

Nick: And I recommend that this would be a cause in agreement with the Espresso requiring them to report back to you any.

710

01:53:35.130 --> 01:53:39.030

Nick: potential conflict of interest with training providers or service providers.

711

01:53:41.160 --> 01:53:51.240

Nick: There are other conflicts of interest disclosure requirements for organizations performing multiple functions in the procurement process and as board members.

712

01:53:52.080 --> 01:54:02.640

Nick: As you know, a board member should not participate in the matter and vote on a matter where that person is representing an organization that's under consideration for an award.

713

01:54:04.680 --> 01:54:06.960

Nick: There is a general requirement and uniform guidance.

714

01:54:08.190 --> 01:54:17.430

Nick: That any organization must disclose in writing any potential conflict of interest to the federal agency or pass through entity so.

715

01:54:19.200 --> 01:54:26.520

Nick: That means that our local board or fiscal agent or administrative entity must disclose any potential conflict of interest to the state.

716

01:54:27.690 --> 01:54:45.900

Nick: it's a disclosure requirements that must be met, likewise the one stop operator or a service provider or any other sub recipients must disclose any conflict of interest to the to the wording agency, which would you use up your board, so there is a disclosure requirements even.

717

01:54:46.920 --> 01:54:57.480

Nick: Even when their conflict is not exhibited in terms of creating a problem, but it is an apparent conflict of interest and therefore our potential conflict of interest in has to be disclosed.

718

01:54:59.010 --> 01:55:10.620

Nick: And it doesn't mean that someone has acted incorrectly or again as a violation, this means you have to disclose that where there is a possibility of potential conflict of interest.

719

01:55:14.160 --> 01:55:15.360

Nick: Compensating controls.

720

01:55:19.440 --> 01:55:27.270

Nick: As we mentioned before, when you can't paint a separation and necessary to mitigate a firewall potential problem.

721

01:55:27.810 --> 01:55:33.510

Nick: You need to establish a system of internal control of compensating controls to mitigate the problem.

722

01:55:34.500 --> 01:55:48.120

Nick: They can help to compensate for lack of separation of duties, this is the same list be provided early on firewalls so it applies equally to conflict of interest, where you are trying to identify compensating controls, where there's lack of separation.

723

01:55:49.260 --> 01:55:53.130

Nick: yeah one compensating control might be to reorganize the functions within a.

724

01:55:54.270 --> 01:55:59.880

Nick: Division or unit, so that you can create some separation by having another unit perform some of those duties.

725

01:56:01.680 --> 01:56:05.040

Nick: You might have checklist that staff would be required to fill out.

726

01:56:06.780 --> 01:56:08.730

Nick: That helps to identify.

727

01:56:09.900 --> 01:56:24.750

Nick: And the actions taken to avoid conflict of interest you could expand the supervisory approved was an oversight over the actions of staff or us managers from other units to perform some of these managerial functions.

728

01:56:26.160 --> 01:56:30.900

Nick: It should be monitoring is always should be independent of the unit that's being monitored.

729

01:56:32.640 --> 01:56:41.820

Nick: When it's done in House and also you might want to consider some outside agency monitoring that you feel that, as appropriate, I know some local areas I don't know if it's two in Arizona, but.

730

01:56:43.170 --> 01:56:48.660

Nick: In other states they've actually hired out the monitoring function to a to an independent third party.

731

01:56:49.950 --> 01:56:50.520

Nick: Next, please.

732

01:56:55.440 --> 01:56:59.010

Nick: Again, these are the process steps that are similar to what we talked about before.

733

01:57:00.510 --> 01:57:09.960

Nick: You want to identify the specific cycles, where do these are not currently separated and determine whether they can be separated within the unit that in rituals duties are being performed.

734

01:57:10.680 --> 01:57:17.790

Nick: If it's not possible to separate them identify a staff or another entity outside the unit that can perform one or more of these duties.

735

01:57:18.240 --> 01:57:26.790

Nick: When you talk in more detail about separation of duties acuity a series of functions that staff perform you want to try to separate those functions, so if you can.

736

01:57:27.060 --> 01:57:39.030

Nick: Take one of those functions in that series of functions and haven't performed by someone else in the unit or someone else in another unit it just adds to the control environment strengthen controls.

737

01:57:41.250 --> 01:57:44.280

Nick: Otherwise, you want to expand supervisory approvals and controls.

738

01:57:45.360 --> 01:57:49.080

Nick: and includes supervisors that side the unit if that's necessary and appropriate.

739

01:57:50.430 --> 01:57:55.500

Nick: You want to have separate change for reporting to upper management, you want to monitor for compliance.

740

01:57:56.850 --> 01:58:01.020

Nick: and make sure that monitoring is independent, separate from the functions that are being monitored.

741

01:58:02.490 --> 01:58:06.900

Nick: And finally, again, you want to monitor detect and mitigate any potential or real conflict of interest.

742

01:58:12.960 --> 01:58:23.370

Nick: Monitoring needs to be targeted to since we're talking about firewalls and conflict of interest you want to make sure you're monitoring targets those requirements relating to conflict of interest and separation of duties.

743

01:58:24.960 --> 01:58:31.350

Nick: You want to include attention to the vulnerabilities that were identified in the risk assessment, because that would be obviously.

744

01:58:31.920 --> 01:58:42.930

Nick: The first place to go to in terms of where you have potential exposure to risk and you want to determine whether the control activities that you have set up, especially if they're compensating controls, whether those are working properly.

745

01:58:44.280 --> 01:59:00.420

Nick: And the Board has responsibility to do this as well, so when you're looking at evidence of monitoring, you would be looking at whether or not the organization or the unit or the staff has the capability.

746

01:59:02.280 --> 01:59:09.960

Nick: yeah, in other words there's a guide the questions and oversight instructions to supervisors and managers that require oversight of these areas.

747

01:59:10.890 --> 01:59:18.450

Nick: And this fall through another word says the monitor report supervisors written instructions to staff there are checklist copies of documents reviewed.

748

01:59:18.870 --> 01:59:28.590

Nick: and whatever evidence, there might be that you can document to show that you have follow through and you and carrying out your responsibility to monitor experts.

749

01:59:31.380 --> 01:59:36.450

Nick: Are your next steps will go through this quickly set to somewhat be productive will be covered already.

750

01:59:40.800 --> 01:59:43.470

Nick: So for internal controls regarding firewalls.

751

01:59:44.550 --> 01:59:49.680

Nick: As I mentioned before, uniform guidance relies heavily on an organization's internal control system.

752

01:59:50.580 --> 02:00:02.520

Nick: As the basis for determining compliance with many regulatory requirements so let's go your internal control system is the better, you are in terms of meeting the requirements of the uniform guidance and the WHO a regulations.

753

02:00:03.780 --> 02:00:09.600

Nick: A key component of an internal control system is to have adequate firewalls that separates incompatible functions.

754

02:00:15.360 --> 02:00:23.550

Nick: a row, a step that includes a risk assessment that identifies any weakness and firewall protections in the steps to be taken to mitigate those risks.

755

02:00:24.060 --> 02:00:40.050

Nick: This is very important, you have to self assess your own organization terms of what areas of whiskey might have with respect to firewall and conflict of interest and so that you can then address those and satisfactory resolve any potential conflicts that you have.

756

02:00:42.930 --> 02:00:48.000

Nick: There are, there are numerous control activities that can be performed to establish and reinforce firewall protections.

757

02:00:48.570 --> 02:00:58.680

Nick: And it's important to communicate and train staff on the firewall protections in place and, of course, to conduct appropriate oversight monitoring that's independent of the functions being monitored connectedness.

758

02:01:02.340 --> 02:01:07.320

Nick: conflict of interest, the same provisions really apply here, I want to read the all these.

759

02:01:08.130 --> 02:01:25.020

Nick: Because now we're talking more about staff behavior, whereas in the previous site and firewalls we're talking about organizational behavior but in principle the same steps in terms of establishing internal controls to guard against conflict of interest in and to establish.

760

02:01:27.000 --> 02:01:32.100

Nick: remedies or solutions for any conflict of interest that may arise next place.

761

02:01:36.270 --> 02:01:36.630

Nick: So.

762

02:01:37.980 --> 02:01:47.490

Nick: recommended steps that we suggest you follow our follow through on again using the the components of the coastal framework.

763

02:01:48.030 --> 02:01:57.120

Nick: The control environment, we recommend you obtain commitment from all applicable organizations to create sufficient internal controls to mitigate firewall issues.

764

02:01:58.110 --> 02:02:13.020

Nick: That you conducted risk assessment learn require your organizations to conduct a quick assessment, where the roles and functions of those

organizations or individuals overlap or conflict and thus represent potential firewall and conflict which was weaknesses.

765

02:02:14.940 --> 02:02:22.830

Nick: Tonight so identify where and how do these roles and functions, need to be separated to mitigate risk and maintain adequate firewalls and conflict of interest protections.

766

02:02:24.360 --> 02:02:32.760

Nick: To the purpose of risk assessment is determine where there might be potential firewall and conflict of interest issues where you have exposure to risk, in other words.

767

02:02:33.240 --> 02:02:43.380

Nick: And then that allows you then to create a plan or process for mitigating those risks to satisfy the firewall and conflict with those requirements.

768

02:02:44.580 --> 02:02:45.060

Experts.

769

02:02:47.010 --> 02:02:57.120

Nick: control activities as we mentioned one important step is to clearly define the roles and functions of each organization or division unit and staff person that they're performing.

770

02:02:58.380 --> 02:03:06.480

Nick: Then you establish policies and procedures that mitigate the any identified risks associated with lack of firewalls and conflict of interest protections.

771

02:03:07.680 --> 02:03:11.340

Nick: You separate the roles function and duties to the extent possible.

772

02:03:12.390 --> 02:03:21.900

Nick: Where separation is not possible, then you establish compensating controls and you establish an oversight monitoring capability as independent of the factors being monitored.

773

02:03:23.940 --> 02:03:35.130

Nick: Next, in on information that communication as we mentioned before you communicate your policies procedures to organizations and staff you update and reinforce those policies on a regular basis.

774

02:03:35.730 --> 02:03:46.650

Nick: You provide training to organizations and staff and you maintain records and information systems that provide reliably reporting and document the compliance with firewall and conflict of interest requirements.

775

02:03:48.030 --> 02:03:48.840

Nick: And i'm finally.

776

02:03:50.550 --> 02:04:00.390

Nick: Monitoring as we mentioned before, establish a monitoring oversight function that is independent of the organization operational units and functions being monitored.

777

02:04:00.930 --> 02:04:10.020

Nick: do so on a regular basis you monitor all organizations and functions, especially whether a firewall and conflict of interest protections that need to be enforced.

778

02:04:11.220 --> 02:04:20.310

Nick: You monitor sub recipients, including the one stop operator you oversee staff compliance by supervisors, a new document to monitor results and the corrective actions that have been taken.

779

02:04:23.670 --> 02:04:28.530

Nick: So you see it's a sort of a logical process, you want to establish an environment that.

780

02:04:29.160 --> 02:04:35.490

Nick: supports an internal control system and supports the establishment of sufficient firewalls and conflict with protections.

781

02:04:36.090 --> 02:04:52.800

Nick: You want, secondly, to examine where you have any Organization has exposure to risk with respect to firewalls and conflict of interest, thirdly, you want to take steps control activities to mitigate mitigate any risk that might be involved, my might, you may have found.

782

02:04:54.450 --> 02:05:00.330

Nick: Fourthly, you want to communicate your standards and your policies and praying all staff on on those policies and requirements.

783

02:05:00.870 --> 02:05:11.670

Nick: And then, thirdly, you want, and then, finally, you want to conduct sufficient monitoring oversight, especially in those areas where there is exposure to risk on firewall a conflict with trust issues so.

784

02:05:14.580 --> 02:05:16.740

Nick: That is the causal framework and the steps.

785

02:05:17.970 --> 02:05:25.110

Nick: involved the framework that they recommend you follow in terms of evaluating establishing and evaluating your own internal control system.

786

02:05:26.220 --> 02:05:31.290

Nick: So the next slide please, but our resources additional resources, you might.

787

02:05:32.730 --> 02:05:33.480

Nick: You might use.

788

02:05:35.190 --> 02:05:44.250

Nick: As I mentioned earlier, besides Kosovo, which is the second item here the other source for standard for internal control are the GA o's and gentlemen organization.

789

02:05:45.300 --> 02:05:53.910

Nick: standard for internal control and the Federal Government that's another resource that you could use we use here today, the Kosovo internal control integrated framework.

790

02:05:54.600 --> 02:06:09.120

Nick: There are requirements as we've cited, many of those today in the uniform guidance and there are handouts, that we mentioned two handouts, one is on a check your checklist to self assess your firewall and conflict of interest protections and another.

791

02:06:11.460 --> 02:06:19.200

Nick: hand out to flow to give you a step by step process to evaluate where you stand on firewalls and conflict of interest.

792

02:06:20.550 --> 02:06:21.690

Nick: Alright next.

793

02:06:24.090 --> 02:06:31.650

Nick: The core monitoring guide, of course, are the standards and the guides that then the questions that will be used by the Federal monitors to monitor your programs.

794

02:06:32.130 --> 02:06:41.730

Nick: So you want to be aware of what those are so you can anticipate the kinds of questions you'll be getting when you're monitored, and then there are a lot of other technical assistance guides.

795

02:06:43.620 --> 02:06:45.420

Nick: and T cells.

796

02:06:46.530 --> 02:06:47.460

Nick: and smart creating.

797

02:06:50.940 --> 02:06:53.700

Nick: modules that bear upon this subject.

798

02:06:54.810 --> 02:06:58.530

Nick: And of course the uniform guidance has a lot of citations in this area.

799

02:07:00.150 --> 02:07:16.800

Nick: There, who brags provide you with a detailed description of what is what a one stop operated has and then, of course, there are administrative provisions and wi away inside of here in these regulations, so there are a lot of other resources that you can.

800

02:07:18.420 --> 02:07:27.270

Nick: Go to including the next slide which deals with state resources, the state has a has a policy on procurement policy number four.

801

02:07:27.810 --> 02:07:36.510

Nick: And also we're hiding the one stop operating section of one stop operating service providers, and it also has a conflict of interest policy state workers policy number eight.

802

02:07:37.110 --> 02:07:52.740

Nick: So all those come into play, and all those are our State policies as as we've said now repeatedly are equally important equally required of you to file so make sure you're fully aware of any state policy and other requirements that apply to you.

803

02:07:54.960 --> 02:07:55.350

Nick: alright.

804

02:07:56.940 --> 02:08:04.530

Jen Pirtle: Well, thank you, Nick I know that was a lot we did have one outstanding question i'm going back to procurement.

805

02:08:05.040 --> 02:08:20.010

Jen Pirtle: The WHO a regulations, require that all resources for which a participant is eligible be explored and utilized and the question is, is the one stop or the program contractor responsible for assuring that this happens.

806

02:08:24.420 --> 02:08:29.730

Nick: Well, it really depends upon how you structure your service delivery system in the West APP Center.

807

02:08:31.380 --> 02:08:46.470

Nick: each partner program is responsible for making their services and their program services accessible through the one step system, so there has to be a way for someone walking into the one stop Center to access any partner programs now how.

808

02:08:48.360 --> 02:08:53.610

Nick: someone who comes into the Center and navigates all that information.

809

02:08:54.690 --> 02:09:02.520

Nick: Maybe the role of the one stop operator to help them through that really depends upon how you want to set that up but I certainly makes common sense for me.

810

02:09:03.660 --> 02:09:07.440

Nick: To say that they should be someone helping people work through the system because.

811

02:09:08.100 --> 02:09:25.050

Nick: Most of them are coming in, without any prior knowledge of what programs are available or even perhaps what services they need or can obtain so providing assistance in some way to that group of clientele whether it's the reception desk or maybe even some initial.

812

02:09:26.250 --> 02:09:32.430

Nick: Assessment functions that are being performed to help determine what is the most appropriate service and then of course referring.

813

02:09:33.750 --> 02:09:41.940

Nick: That person to the entity that provides that service, so it really is, you can design for yourselves.

814

02:09:42.660 --> 02:09:49.110

Nick: The process, you want to use for helping people get connected to the program services that will best meet their needs so.

815

02:09:49.620 --> 02:10:00.030

Nick: It can be done through the one stop operator, it can be done in other ways, but that's really your option is to design a system that we think will work best for you and for the clientele you're trying to soon.

816

02:10:01.050 --> 02:10:06.240

Jen Pirtle: Great Thank you there's one one final question and then we'll let y'all go um.

817

02:10:07.980 --> 02:10:19.980

Jen Pirtle: Can it be specified, whose responsibility it is at the local level to ensure sufficient firewalls are in place, is that the local board is there, another entity so thera responsible entity there.

818

02:10:21.240 --> 02:10:28.470

Nick: Well, I would say, every entity that's present and as part of the workforce system has that responsibility.

819

02:10:29.700 --> 02:10:40.590

Nick: to conduct their own determination of whether or not they have sufficient firewalls in place, so I would say it's a it's a responsibility of all participating organizations.

820

02:10:41.040 --> 02:10:47.850

Nick: But I think that in again it's the board that has overall responsibility to make sure that this.

821

02:10:48.510 --> 02:10:59.100

Nick: function is being performed by all the participating organizations, in other words, they go through a process of determining whether they have adequate firewalls and conflict of interest protections in place.

822

02:11:00.270 --> 02:11:12.300

Nick: So the board more has a more overseeing role, rather than conducting their own their own risk assessment, for example, but they must ensure that.

823

02:11:13.050 --> 02:11:24.630

Nick: All participating organizations have gone through that process so that, ultimately, every organization that's participating in the workforce system has sufficient firewalls and conflict of interest protections in place.

824

02:11:26.760 --> 02:11:31.470

Jen Pirtle: Okay, and there was another question that came in earlier, but I think we answered it.

825

02:11:32.430 --> 02:11:41.550

Jen Pirtle: What would be the conflict of having an organization being both staff to the Board and the fiscal agent, and I think that depends on Nick you said earlier, how that.

826

02:11:42.090 --> 02:11:53.250

Jen Pirtle: How that Board and the fiscal agents are set up and what responsibilities, there are because I don't know that those are we don't know the exact we can't give you exactly what the complex would be because we don't know the roles.

827

02:11:54.060 --> 02:12:04.590

Nick: right, then, and there may or may not be a conflict and we're not saying it's always present, but the way you determine that, as we said before you sort of detail the roles and functions of staff to the board.

828

02:12:05.370 --> 02:12:11.790

Nick: Compare those with the roles and responsibilities of the fiscal agent and see whether in fact there's any overlap.

829

02:12:12.210 --> 02:12:24.660

Nick: And where there is overlap, then those are the that's the firewall or conflict of interest issue you have to find protections for if there is no overlap, then there's no firewall or conflict of interest issue present.

830

02:12:28.860 --> 02:12:29.340

Okay.

831

02:12:31.200 --> 02:12:35.430

Jen Pirtle: I mean we we keep getting questions and I don't know how long we can stick around so.

832

02:12:35.790 --> 02:12:45.840

Jen Pirtle: i'll keep asking questions, but before you all sign off we'd like you to take a few minutes to please provide us some feedback on the training on the session today.

833

02:12:46.800 --> 02:12:56.700

Jen Pirtle: This is the link but i've also put it in the chat Please go ahead and give us some feedback and Nick one other question is this goes back to procurement as well.

834

02:12:57.450 --> 02:13:10.890

Jen Pirtle: Can the documented procurement procedures be that of the administrative entity or fiscal agent, or does the board need them also like where I think it's the procedures for the procurement.

835

02:13:14.760 --> 02:13:33.300

Nick: Well it's really a decision of the board, I mean if they want to have the administrative entity in your example conduct the procurement on the behalf of the board, then it would be that administrative entity having policies and procedures to do so, the board, I think.

836

02:13:35.070 --> 02:13:51.780

Nick: As ultimately responsible should make sure those policies and procedures are sufficient to meet the requirements and and satisfy the board in terms of what they expect that process to entail so it's it's both and in one sense, but clearly you're not going to have board members.

837

02:13:52.950 --> 02:13:58.920

Nick: Business people, for example, coming in and writing policies and procedures themselves on on procurement.

838

02:14:00.420 --> 02:14:08.460

Nick: More than likely, you are not so they're going to be relying upon either staff to the board or the administrative entity to put those details together, but then.

839

02:14:08.820 --> 02:14:18.240

Nick: The Board should be approving what those are so that they're giving blessing for the administrator entity or staff to go forward and conduct procurements in that manner.

840

02:14:26.250 --> 02:14:37.560

Rachael Tashbook: Well, thank you so much, Nick this is Rachel with state of Arizona with the Department of economic security Thank you so much, Nick and Jen for the presentation for answering so many questions.

841

02:14:38.010 --> 02:14:44.040

Rachael Tashbook: I definitely don't want to keep everyone on the call too much longer so maybe if there's one more question.

842

02:14:45.480 --> 02:15:00.960

Rachael Tashbook: That can be answered, we can answer that and then i'll put the title one policy inbox email address in the chat and if there are additional questions folks have please don't hesitate to send them to our email address, so that we can get your questions answered quickly.

843

02:15:04.860 --> 02:15:14.640

Jen Pirtle: So it looks like you're getting an error message, when you want to go to the survey so we'll find another link and get that out to you so sorry for that we'll figure out.

844

02:15:15.090 --> 02:15:15.720

Lynn Bajorek: I.

845

02:15:15.750 --> 02:15:18.510

Lynn Bajorek: Have the updated link i'm going to pop it in right now.

846

02:15:18.900 --> 02:15:20.010

Jen Pirtle: Okay, thank you.

847

02:15:20.160 --> 02:15:20.520

yep.

848

02:15:28.290 --> 02:15:31.350

Jen Pirtle: Okay, and I, and we don't have any other questions so.

849

02:15:32.370 --> 02:15:43.470

Jen Pirtle: Thank you so much Rachel just popped in an email address if you have questions go to Title one policy at az D s.gov.

850

02:15:45.750 --> 02:15:49.680

Jen Pirtle: And thank, thank you for joining us today, and thank you for all your thoughtful questions.

851

02:15:51.840 --> 02:15:53.940

Rachael Tashbook: Thank you, we appreciate the training.

852

02:15:54.780 --> 02:16:05.070

Jen Pirtle: yeah we'll get you the recording and the information I think you have the two handouts, but we'll get you the recording and if you need anything else, let us know.

853

02:16:05.700 --> 02:16:07.170

Rachael Tashbook: Perfect Thank you.

854

02:16:07.590 --> 02:16:09.150

Lynn Bajorek: Okay, thank you, everybody you.