



May 3, 2016

Eastern Carolina Local Area Issuance No. 2015-25

SUBJECT: Procurement and Contracting Policy

PURPOSE: To provide the Eastern Carolina Workforce Development Board minimum standards and procedures designed to ensure the proper procurement of and contracting for services.

BACKGROUND: The North Carolina Department of Commerce, Division of Workforce Solutions, Policy Statement Number: PS 22-2015 requires Local Workforce Development Boards to establish and maintain procurement and contracting policies and procedures to ensure full and open competition. The attached procedures are developed in accordance with that Policy Statement and designed pursuant to: the NC Division of Workforce Solutions Subgrant Agreement Section 3.4; North Carolina Administrative Code Title 4, Chapter 20 Section .0304(a) and (b); 20CFR Part 652, et al., 29CFR Part 97.36 Uniform Administrative Requirement; 29CFR Part 95 Sections 95.40 through 95.48; and Office of Management Budget (OMB) Uniform Guidance 2 CFR 200.

ACTION: Local Area Staff will comply with the attached minimum standards contained in the Procurement and Contracting Policies for all procurements involving the use of funds received through the Division of Workforce Solutions. These minimum standards also apply to the procurement of property, consultants or personal services contracts.

EFFECTIVE DATE: May 3, 2016

EXPIRATION DATE: Indefinite

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DISTRIBUTION: Eastern Carolina Local Area Staff

Tammy L. Childers, Executive Director

Attachment: A – Procurement and Contracting Policy

PROCUREMENT AND CONTRACTING POLICY

This document defines the requirements and minimum standards for the policies and procedures which are in place regarding the solicitation and acquisition of goods and services for the Eastern Carolina Workforce Development Board, Inc. It is based upon procedures contained in the North Carolina Department of Commerce Division of Workforce Solutions Policy Statement Number PS 22-2015, dated December 2, 2015.

The Eastern Carolina Local Area (Local Area) is under the authority of the Eastern Carolina Workforce Development Consortium (Consortium). The Eastern Carolina Workforce Development Board Inc. (WDB), serves as the local grant subrecipient for Workforce Innovation and Opportunity Act (WIOA) funds. The Eastern Carolina WDB is the administrative/fiscal agent for this Local Area and in this capacity administers and oversees all phases of the Local Area's operations. The Eastern Carolina WDB has the responsibility to provide policy guidelines for the Local Area.

Procurement

A. General Requirements

Responsible Contractors. The Eastern Carolina WDB shall make awards only to responsible entities possessing the ability to perform successfully under the terms and conditions of a proposed procurement at a reasonable cost.

Code of Conduct. The Eastern Carolina WDB has established the following written code of conduct governing the performance of their employees, officers and agents involved in the award and the administration of contracts:

No WDB member, Youth Council member, officer, employee or agent of the Local Area shall solicit or accept gratuities, favors or anything of monetary value from service providers or potential service providers, including subcontractors under service providers' contracts. Nor shall they participate in the selection, award, or administration of a procurement where, to their knowledge, they have a financial or other substantive interest in any organization which may be considered for award. No member of any council shall cast a vote on the provisions of services by that member or any organization which that member directly represents or vote on any matter which could provide direct financial benefit to that member.

Arm's Length Negotiations. The Eastern Carolina WDB shall ensure that all negotiations of a contract for or with potential contractors/service providers must be arm's length negotiations. *The definition of an arm's length negotiation is a negotiation where the parties to the negotiation have an opposing economic interest to that of the organization with which they are negotiating.*

Restricting Competition. The Eastern Carolina WDB prohibits noncompetitive pricing practices between firms, organizations or affiliated companies or organizations.

Consideration to Small, Minority and Women's (SMW) Businesses and Labor Surplus Suppliers. The Eastern Carolina WDB will provide an opportunity to SMW business organizations and labor surplus suppliers to participate in its procurement process. *For the purposes of this policy, labor surplus suppliers in the Eastern Carolina Local Area will be defined as "A firm which will perform or cause to be performed a substantial proportion of a contract in a labor surplus area".*

Occupational Skills Training. The Eastern Carolina WDB will identify occupations for which there is a demand for training and make the information available to NCWorks Career Centers, service providers, and job/training seekers.

Bidders' List. The Eastern Carolina WDB will maintain and use a current list of persons, firms or other organizations for acquiring goods and services which includes sufficient numbers of qualified sources to ensure maximum open and free competition. This list shall be updated biannually.

Avoidance of Unnecessary or Duplicative Purchases. The Eastern Carolina WDB will review proposed procurements to avoid purchase of unnecessary or duplicative items and to facilitate the acquisition of goods/services in the most economical manner.

Adequate Administrative and Support Funds. The Eastern Carolina WDB will ensure that contracts issued by the subrecipient include adequate funds necessary for administration and supportive services. The level of administrative funding to be covered by the agreement will be determined through our contract negotiations process. If administrative funds are to be donated, that will be stipulated in the agreement.

Maintenance of Records. The Eastern Carolina WDB shall maintain records sufficient to detail the significant history of procurement, including the following: rationale for method of procurement, selection of contract type, contractor selection or rejection, the basis for the contract price, and the contract development process.

B. Competitive Procurement Options. Competitive procurement is the strongly preferred method for procuring goods and services. This section describes the various competitive methods to be considered and the requirements for each method.

1. Small Purchase Option. A simple and informal competitive process for securing services, supplies and other property that do not cost more than \$5,000 in the aggregate on an annual basis. For purposes of economy, responsiveness to needs and administrative efficiency, the Eastern Carolina WDB may consolidate procurements for similar needs (e.g. yearly requirements for office consumables or instructional materials), or break out project requirements into more than one procurement (e.g. separating computer hardware and software) in order to procure the best and most effective items in each category. This option may **not** be used to purchase training services.

The Eastern Carolina WDB must not breakout purchase requirements for the sole purpose of staying under the aggregate limit of \$5,000. The following requirements must be met and documented:

- Price Quotes. A minimum of three price quotes is required, which are supported by documentation consisting of product or service catalogues, current price lists, or telephone quotes substantiated by a written record of the price and source providing the quote, which is signed and dated by the staff person who obtained the quotes. When the minimum of three quotes cannot be obtained, the justification for sole source procurement must be met (see Section C – One Service Provider).
- Basis for Selection. For most commodity goods/services, the basis for selection would be the lowest price. If the basis is something other than price, the criteria for selection must be documented (e.g., the need and benefit of the purchase and the relative advantage of the offering from the provider selected).

- Formal document. A purchase order, letter of agreement, or contract must be issued. A bilateral contract is not required. Purchase orders, vouchers, bills, sales slips or similar records can provide documentation. **Note:** For the purchase of consumable materials under \$5,000 per transaction, non-competitive procurement is an option (see Section C).
2. Request for Proposal (RFP) Method. An RFP is commonly used in procuring training or services for participants when potentially more than one entity would be submitting offers and program specifications are too broad to compare responses solely on the basis of cost. The solicitation must clearly specify deliverables and the basis for payment and incorporate a clear and accurate description of the technical requirements for the material, product, or services being procured (including quantities).

Contents of Request for Proposal. To ensure resulting proposals include the information needed to make sound award decisions, the Eastern Carolina WDB RFPs' will include the following elements, as appropriate to the services being solicited.

- Name and address of the administrative entity (Eastern Carolina WDB).
- Name, address and phone number of person(s) to contact regarding the solicitation.
- General description of the sub-grant program, including identification of the applicable federal and state laws and regulations with which the selected contractor must comply. [At a minimum, the WDB will reference the Workforce Innovation and Opportunity Act; USDOL Regulations; and any appropriate NC Division of Workforce Solutions policy statements].
- The population to be served and minimum levels of services to specific target groups.
- An estimate of the number/range of individuals to be served and expected results in each activity.
- Applicable coordination requirements.
- Funding parameters by activity.
- A description of the training and/or services to be provided.
- The period of performance.
- Applicable monitoring and reporting requirements, including, but not limited to, data entry, performance, and financial reporting.
- Other services or requirements (e.g., responsibility for eligibility determination, Board policy on support payments, audit requirements and work statement requirements) that will affect proper budgeting by the offeror.
- Prohibition against subcontracting without Board approval.
- Line item budget of proposed costs, including any profit to be realized and/or funds to be contributed.
- Documentation to be supplied by the offeror to establish its programmatic and financial capability to perform the work.
- Requirements for preparation and submission of the proposal, due date and time, content and format, number of copies and location/person where the bid should be submitted.
- Process and procedures by which proposals will be evaluated for competitiveness, including identification of specific criteria which will be used.
- Description of the procedures for responding to bidder inquiries and a schedule for the receipt of proposals including approximate dates for review and award.
- Grievance procedures for contesting the procurement process.

- Affirmative action assurance that the offeror will comply fully with the nondiscrimination and equal opportunity provisions of the Workforce Innovation and Opportunity Act, the Non-traditional Employment for Women Act of 1991; Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; Title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including by not limited to 29 CFR Part 34. The United States has the right to seek judicial enforcement of this assurance.

Publication Requirements and Clarifying Information. The Eastern Carolina WDB will provide adequate public notice of the solicitation prior to the date established for submission by taking the following actions a minimum of 30 days prior to the submission date for proposals:

- Written notification will be made to all organizations on the current applicable bidders' list (which is updated biannually).
- The advertisement will be published for three consecutive days in a sufficient number of newspapers or other media (including minority publications where feasible) in the Eastern Carolina Local Area that will provide for a general circulation throughout the area.
- Notice of the proposed solicitation will be posted on the website of the Eastern Carolina WDB (<http://www.ecwdb.org>).

Clarifying information will be provided through:

- Encouraging all interested proposers to attend the **Bidders' Conference** to be held at the Eastern Carolina WDB Offices. While every effort has been made to include all necessary information, specifications and examples in the RFP, the need for clarification or interpretation is recognized as a possibility. The Bidders' Conference is the forum the Eastern Carolina WDB has selected to answer questions so that all interested parties will have the benefit of the same answer. Minutes of the Bidders' Conference will be distributed by mail to all potential service providers (individuals who formally request a copy of the solicitation). However, the Eastern Carolina WDB is under no obligation to send answers to questions, clarifications, or amendments to the RFP to anyone who did not make a formal request for a copy of the solicitation.

Amendments to Solicitations. If the Eastern Carolina WDB makes a determination to amend (expand or restrict) the solicitation, this information will be distributed, in a timely manner, to each person or organization who received an RFP.

Evaluating for Competitiveness/Demonstrated Performance. The Eastern Carolina WDB has established the following criteria for evaluating competitiveness and demonstrated performance:

1. Provisions for ensuring independence of ratings by those involved in the evaluation process. Each Board member and Local Area staff member involved in the evaluation process signs a Conflict of Interest/Non-Disclosure Statement acknowledging they have been: a) appointed to conduct reviews of proposals received in response to the specific solicitation, b) briefed about their responsibilities relating to conflict of interest, and c) briefed about their responsibilities relating to non-disclosure of information obtained

during these reviews. Additionally, each reviewer understands the requirement to conduct their review in an independent manner.

2. Provisions for the use of weighted criteria and a standard evaluation worksheet. Each solicitation (RFP) released by the Eastern Carolina WDB includes an explanation and depiction of the weighted criteria which will be used to evaluate the proposals. That criteria is used to develop/update the standard evaluation worksheet used by all Board/Staff members appointed to conduct reviews of proposals received in response to the specific solicitation.

Selection and Award Procedures. In the Eastern Carolina Local Area, three entities are involved in the procurement process: the Eastern Carolina Workforce Development Consortium, the Eastern Carolina WDB, and the Local Area Staff. Their individual responsibilities are as follows:

Eastern Carolina Workforce Development Consortium Responsibilities

- A. Concurrence of the Local Area Plan as required by the North Carolina Department of Commerce, Division of Workforce Solutions.
- B. Handling procurement appeals/protests/disputes/claims.
- C. Oversight of all Eastern Carolina WDB decisions.
- D. All responsibilities listed below for the Eastern Carolina WDB to the extent the Consortium wishes to make decisions.

Eastern Carolina Workforce Development Board Responsibilities

- A. Development of the Local Area Plan.
- B. Approval and oversight of the procurement process.
- C. Approval of the WIOA Program Year Budget.
- D. Signing of contracts, and other awards (signature of the Chairman is required).
- E. Approval of program activities and funding levels.
- F. Approval of contract types/methods.
- G. Approval of contractors, service providers, etc.
- H. Approval for terminating contracts and other awards.
- I. Approval of contracts, contract modifications, and other awards.
- J. Approval of program and proposal evaluation criteria.
- K. Handling procurement appeals or protests.

Local Area Staff Responsibilities

- A. Developing and implementing the procurement process which includes (but is not limited to):
 - Reviewing and evaluating responses to Request for Proposals (RFPs) in concert with the WDB as directed by the Eastern Carolina WDB and its committees.
 - Recommending potential contractors/service providers.

- Contract negotiations.
 - Documenting the technical proposal review process.
- B. Developing program activities and funding levels.
 - C. Developing, advertising and releasing RFPs.
 - D. Recommending termination of contracts and other awards.
 - E. Contract administration and monitoring.
 - F. Contract closeouts.
 - G. Program and proposal evaluation criteria are developed as part of the Request for Proposals (RFP) process.

Use of Contingency Lists. If the Eastern Carolina WDB chooses to use a contingency list for proposals which were not selected for immediate award, but for whom contracts may be awarded if additional funds become available, the list must:

- Include only proposals that have an evaluation score which meets or exceeds the minimum level defined for competitiveness.
- Be developed, maintained and used in accordance with established procedures regarding the priority order for using bidders on the list.

3. Intention to Bid. This competitive method maintains the integrity of a competitive procurement process by identifying, through public notice, potential bidders to determine the feasibility of procurement.

Criteria for Use. This procedure is appropriate when there is a high level of uncertainty regarding the number of bids which will be received and whether there will be a sufficient number of bids to justify the development of a solicitation.

Procedural Requirements. To use this method, the Eastern Carolina WDB must complete the steps described below.

- a. Develop a set of preliminary training/service specifications for which the Board intends to request bids. The specifications must include the following parameters:
 - date the proposed solicitation will be issued
 - specific type of training/services to be performed
 - estimated number of participants and/or available funds or ranges, if preferred
 - expected period of performance
 - geographic area to be served
 - specific target groups to be served, if applicable
 - type of contract to be awarded
 - expected performance
- b. Issue a public notification in the same manner as that used for the issuances of RFPs. In addition, issue letters or e-mail notification to all applicable organizations on the bidders' list, requesting an indication of whether the organization intends to bid on

specific training/services which are described in the letter, consistent with the specifications developed in the preceding step. The letter must indicate the date by which a response is to be received.

- c. If the intention to bid process is used and no interest is received, noncompetitive sole source procurement may be used. When one intention to bid response is received, every effort must be made to negotiate desired training/services with that provider. However, if acceptable training/services cannot be negotiated, the Eastern Carolina WDB may use a sole source justification to obtain the training/service. A complete history of this process must be documented in the procurement file.

Limitations. Sole source procurement may not be used if more than one organization indicated its intent to bid. In this case, a solicitation for the training/services advertised must be developed and transmitted to all who responded to the intention to bid.

4. Request for Quotation/Invitation for Bid (Formal Advertising for Sealed Bids.) Under this method, bids are publicly solicited and a contract is awarded to the responsible offeror whose bid, conforming to all material terms and conditions of the solicitation, is the lowest in price. A fixed-price contract is the preferred method to be used.

PROCUREMENT BY SEALED BIDS MAY NOT BE USED WHEN SECURING PROGRAM OR ACTIVITY TYPE SERVICES.

According to 29 CFR 95.48 and 29 CFR 97.36, all procurement contracts and other transactions between Local Boards and units of State or local government must be conducted only on a cost reimbursement basis. There is no provision for profit allowed. (WIOA Section 184(a)(3)(B).)

Criteria for Use. This method is appropriate and effective when the Eastern Carolina WDB is capable of specifying and describing the desired goods or services to be provided at a high level of precision and completeness. The best examples are commodity-type goods/services which are widely available in the marketplace; e.g., computer equipment and software, instructional and testing materials, furniture, or training available to the general public.

Procedural Requirements. The minimum procedural requirements to be used by the Eastern Carolina WDB for this method are:

- Prepare a Request for Quotation (RFQ)/Invitation for Bid (FB). The RFQ/IFB must include full and clear definitions and descriptions of the items to be procured, key performance dimensions or specifications, format for submission of bids, submission deadlines and timeframes, and a statement that the Eastern Carolina WDB reserves the right to reject any or all bids when there are sound reasons in the best interest of the program.
- Distribute the RFQ/IFB to organizations on established bidders' list and publicly advertise the procurement in a sufficient number of newspapers or other media in the Eastern Carolina Local Area that will provide for a general circulation throughout the area and the proposed procurement will be posted on the website of the Eastern Carolina WDB (<http://www.ecwdb.org>).
- Open all bids publicly at the time and place stated in the RFQ/IFB.
- Complete a cost or price analysis to determine the reasonableness of cost.

- Award a contract to the responsible offeror whose bid represents the lowest price and conforms to all of the specifications in the RFQ/IFB and meets the demonstrated performance criteria.
- Provide written notifications to unsuccessful offerors promptly and file documentation accordingly.

C. Non-competitive Procurement Options. Noncompetitive procurement may be necessary in selected situations when competition is not available. This method will be minimized to the extent practicable and will, in every case, be justified and documented. This section describes the options and criteria to be used in considering noncompetitive procurement, depending on the specific situation. The Eastern Carolina WDB understands consultation may be made with State staff when noncompetitive procurement is being considered and the appropriateness of the circumstances are uncertain.

1. Small Value Purchasing Authority (SVPA). To purchase consumable materials without a formal award or competitive bidding process, the small value purchasing authority may be used if all the following requirements are met:
 - Purchases are limited to consumable goods and/or supplies and may not exceed \$5,000 per transaction.
 - It is used for immediate over-the-counter purchases and/or to take advantage of cost-saving purchases such as advertised specials. Splitting of orders into multiple orders to avoid the dollar limitation is not allowable.
 - The following written guidelines governing the use of SVPA will be used by the Eastern Carolina WDB for the routine purchase of goods and/or supplies that do not cost more than \$5,000 per transaction and PRICE IS THE ONLY FACTOR. When small purchase procurements are used, the purchase shall not be broken down into several purchases merely to avoid the dollar limitation. Procurement by small purchase procedures may not be used when securing program-activity services, e.g. On-the-Job Training. The following limits are established as guides:
 - a. \$0 - \$200 – No quotes; pick and buy.
 - b. \$200 - \$500 – Informal quotes; call, catalog, internet.
 - c. \$500 - \$5,000 – Three written quotes; fax, mail in, etc.
 - d. Exceed \$5,000 – Go to another procurement process.
 - Documentation of each purchase is maintained, such as a purchase order or detailed sales receipt to show the items bought.
2. Emergency. The use of sole sourcing for emergency situations should be infrequent and for limited time periods (i.e., reflecting the emergency). If the need generated by the emergency will continue over an extended period of time, a competitive procurement method must be used after the emergency has been resolved. Termination or suspension of a current contractor may be considered as an emergency under certain conditions; however, termination of an existing contract should not be used to circumvent competitive solicitation.

Final approval will be made by the Eastern Carolina WDB. The Local Area will fully document this method of procurement. Special attention shall be given to code of standards of

conduct, conflict of interest, and safeguarding values normally achieved through competition.

3. State Authorized Noncompetitive Procurement. The Eastern Carolina WDB may request authorization from the NC Division of Workforce Solutions to use noncompetitive procurement in circumstances when the competitive procurement is not feasible to meet a special need and the noncompetitive criteria do not address the special circumstances. The written request from the WDB to the NC Division of Workforce Solutions must include the following information:

- Purpose of the project
- Agency(ies) involved and the collaboration to be improved
- The circumstances which justify noncompetitive procurement.

The circumstances must involve a real collaborative effort to provided services which will benefit the clients of each agency's use of this criterion. The Eastern Carolina WDB understands it is not appropriate to procure a broker for services or a provider of services who has no client base to benefit from the project.

4. On-the-Job Employer Agreement. The Eastern Carolina WDB does not directly enter into agreements with employers for the provision of on-the-job training (OJT). The WDB has chosen to contract with agencies to administer the OJT activity and those services will be procured competitively through the RFP method.
5. One Service Provider. The Eastern Carolina WDB will use noncompetitive procurement when it has been determined that the item or service is available only from a single source.

Final approval will be made by the WDB. The Local Area will fully document this method of procurement. Special attention shall be given to code of standards of conduct, conflict of interest, and safeguarding values normally achieved through competition.

6. Failed Competitive Procurement. The Eastern Carolina WDB may use noncompetitive procurement if it has conducted a competitive procurement process and only one or no competitive bid was received. If the WDB receives only one competitive bid, it will make every effort to negotiate the desired training/services. However, if acceptable services cannot be negotiated or no competitive bids were received, sole source may be used to obtain the training/service. A complete history of this process must be documented in the procurement file.
7. Unsolicited Proposals for Services. The Eastern Carolina WDB will not accept unsolicited proposals for services.

Contracting

- A. Introduction. This section identifies the allowable instruments which can be used. Each instrument is described in terms of appropriate use and a description of general provisions and specific contract provisions which **must** be included in contracts.

One of the first considerations in developing a contract is the relationship which the Eastern Carolina WDB expects to have with the organization delivering the services. Based on the complexity of the work to be performed, these relationships fall into two categories:

- A vendor relationship exists when the WDB enters an agreement to purchase generally required goods and services which are available and sold to the general public during normal business operations.
- A subrecipient relationship exists when an award is made to provide specific WIOA services that are not provided to the general public, based on negotiated specifications.

Both vendors and subrecipients are defined as service providers.

B. Vendor Contracts. Fixed price contracts must be used with vendors.

1. **Fixed Price Contracts.** A fixed price contract is used to purchase generally required goods and services which are sold to the general public during normal business hours at an agreed upon price regardless of the contractor's cost incurred. The appropriate uses of fixed price contracts are provided below:
 - For the purchases of equipment, supplies or materials when a purchase order is not appropriate.
 - For the purchases of **personal services** of consultants when the deliverables are specifically defined and priced. Consultants and personal services contracts, costing **\$5,000** and over, must have review and written approval by the NC Division of Workforce Solutions before the contract is finalized. The request for review by the Division must include:
 - the purpose of the contract
 - the cost of the proposed contract
 - the starting and ending dates
 - an assurance of adherence to State and local procurement policies, and
 - the funding source to be used.

The contract must identify the specific deliverables and the related price for each deliverable for which payment will be made.

C. Subrecipient Contracts

1. **Cost Reimbursable Contracts.** The Eastern Carolina WDB may use a cost reimbursable contract for any form of procurement. In this type of contract, reimbursements are made to the contractor for actual expenses incurred in the provision of goods/services. Under cost reimbursable contracts, the primary risk in achieving a reasonable relationship between expenditures and results falls to the Eastern Carolina WDB in negotiating line costs.

This type of contract is required for procurement transactions between units of State or local governments and the Eastern Carolina Workforce Development Board.

Each contract must contain a detailed line item budget specifying the expense items and estimated amount for all costs. All costs in the approved budget must be allowable and properly allocated among the cost categories that will benefit. The contract must fully describe the services to be delivered and the invoicing and payment and procedures including signatory authority for the submission of invoices. Any provisions of flexibility in expenditures among the specific line items must also be described in the contract.

2. **Cost Reimbursable Contracts with Profit.** A cost reimbursable contract may include a profit element when an incentive is appropriate to induce a private for-profit contractor/service provider to provide WIOA training or services.

3. Fixed Price Contracts. The use of a fixed price contract by the Eastern Carolina WDB will be limited to specific circumstances in which a contractor/service provider agrees to deliver specified WIOA services at a negotiated price. These situations might include such services as eligibility determination, assessment, or case management with a detailed work statement, with a unit price established for each deliverable, e.g., number of enrollments, number of assessments, etc.

This type of contract differs from a fixed unit price, performance based contract only to the extent that it provides for delivery of a specific service, regardless of participant outcomes. Requirements for establishing and paying the fixed price are the same, except that payment conditions must be based on the delivery of measurable units of service, rather than on participant outcomes.

4. Hybrid Contracts (Cost Reimbursable with Fixed Price Element). Hybrid contracts incorporate a combination of cost-reimbursement and fixed price characteristics. In these contracts, some cost items will be separately identified to be reimbursed on actual costs incurred and other cost items will be units identified as a fixed price.

These contract must be negotiated and executed on the basis of a detailed line item budget in which the cost elements to be reimbursed are separately identified from the fixed price element(s). The requirements applicable to the cost reimbursable and fixed price contracts will apply to each separately identified set of expenses.

5. Fixed Unit Price/Performance Based Contracts. Fixed unit price/performance based contracts are allowable for employment and training services as an incentive for contractors to perform efficiently and achieve high levels of participant outcomes. The following requirements will be applied by the Eastern Carolina WDB in establishing a fixed unit price and the conditions for payments:

- A cost analysis of all cost elements, i.e., line item costs, must be conducted and documented, and reasonableness of the unit price determined
- The fixed unit price must be allocated to benefitting cost categories based on the ratios established in the cost price analysis
- The offeror must certify in writing that cost data are accurate, complete and current at the time of agreement on price. The awarding agency must retain the right to a price adjustment if it is discovered that the subrecipient knowingly submitted data that were not accurate, complete and current
- Payment conditions must include measurable participant outcomes (e.g., quantifiable levels of skill attainment, placement in training-related position, a placement wage requirement, job retention).

- D. General Contract Provisions for All Contracts. Except for small purchases for which a purchase order is appropriate, the Eastern Carolina WDB must award a bilaterally executed contract which includes at a minimum, the fixed price and/or estimated costs, a description of the scope and extent of work performed or specification of the goods/services to be provided and the period of performance. (NOTE: There is no requirement that fixed unit price agreements establish minimum or maximum quantity or funding levels to require performance or limit obligations. However, it is strongly recommended that a maximum be included in the agreement to identify obligations and to manage risk.)

The Eastern Carolina WDB will include in each vendor and subrecipient contract the following provisions and will require that the contractor include the provisions, or references to them, in any subcontracts:

- Remedies. A provision will which allow for administrative, contractual, or legal remedies if the contractor violates or breaches terms of the contract and which provides for appropriate sanctions and penalties.
- Termination. A provision for termination of the contract for cause and for convenience by the awarding agency and for termination because of circumstances beyond the control of the contractor. The provision must include an identification of the conditions under which termination actions will be taken, the manner in which actions will be taken and the basis for settlement.
- Modification. A provision defining the conditions under which the contract can be modified, including specification of the conditions by which the contract can be unilaterally modified by the WDB.
- Assignment. A provision prohibiting the assignment of the contract to another party.
- Funds Availability. A provision for withdrawal of funds from the contract as a result of discontinued or more limited funding to the Eastern Carolina WDB from its funding source.
- Coordination of Grant Funds. A provision for coordination, documenting and reporting funds from High(er) Education Act grants (e.g., Pell, Supplemental Education Opportunity Grant (SEOG)) and other sources that are used in conjunction with WIOA funds on behalf of participants.
- Payment Conditions and Delivery Terms. A provision which describes conditions under which payments will be made, the documentation required for invoicing and the timeframes for submission and payment of invoices. (Payment conditions depend on the type of contract used.)
- Contract Period. Subrecipients may, with sufficient justification, renew an annual-contract for two (2) additional years without benefit of competitive procurement, not to exceed a total of three (3) years. Each renewal shall be limited to a one (1) year period. Renewal of an annual contract shall not preclude the contract negotiation requirement or the cost or price analysis process. This requirement applies except in the case of noncompetitive procurement under the emergency criterion and unsolicited proposals. If establishing a contract period which crosses program years, contract provisions must address the longer period of performance.
- Audit Responsibilities. A provision describing contractor's/service provider's audit responsibilities. In the case of vendors, in lieu of an audit the right of access to vendor records of program charges and to staff for interviews must be included.
- Data/Copyrighting. A notice of WIOA requirements pertaining to rights to data or products developed with the use of WIOA funding. Specifically, the awarding agencies, the NC Division of Workforce Solution and the US Department of Labor must have unlimited rights to any data first produced or delivered under the agreement including agreements which involve the use/development of computer programs/applications, or the maintenance of data bases or other computer data processing programs, including the input of data. There

must also be a notice of WIOA requirements pertaining to copyrighting only in contracts which involve the use or development of copyrighted materials.

- Reporting Requirements. A description of the Eastern Carolina WDB requirements for reporting data and other information.
- Complaints. Information for filing a complaint or grievance.
- Records and Retention. A description of the records which must be maintained and the applicable record retention period defined.

E. Additional Provisions for Subrecipient Contracts. In addition to the general provisions required for all contracts described above, the following provisions are required for contractor/service provider contracts only:

- Adherence to Applicable Laws and Regulations. A provision that the contractor/service provider will adhere to all applicable federal, state and local regulations, laws and policies, including:
 Certification Regarding Lobbying (29 CFR Part 93)
 Drug-Free Workplace Requirements Certification (29 CFR Part 98)
- Use of Program Income. A provision defining the procedures and criteria for the disposition and use of program income earned by the contractor, if applicable.
- Non-duplication of Services. An assurance that facilities and services are not duplicated through the contract unless it has been established that alternative services or facilities would be more effective or more likely to achieve performance goals.
- Equal Opportunity. The Eastern Carolina WDB will include the following equal opportunity provision verbatim; and will require that its contractors/service providers include the clause in any of their contracts which has, or is expected to have, an aggregate value exceeding \$25,000 within a 12-month period.

During the performance of this contract, the contractor agrees as follows:

- a. The contractor will comply fully with the nondiscrimination and equal opportunity provisions of the Workforce Innovation and Opportunity Act (WIOA); including the Nontraditional Employment for Women Act of 1991; Title VI of the Civil Rights Act of 1964, as amended; the Age of Discrimination Act of 1975, as amended; Title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR Part 34. The United States has the right to seek judicial enforcement of this assurance.*
- b. The contractor will not discriminate against any employee or applicant for employment, or program applicant/participant because of race, color, age, religion, sex, disability, national origin or political affiliation or belief. The contractor will take affirmative action to ensure that applicants are employed/selected and that participants and employees are treated during their period of employment/participation without regard to their race, color, age, religion, sex, disability, national origin, political affiliation or belief. Such actions must include, but not limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to*

- post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of the non-discrimination clause.*
- c. *The contractor will, in all solicitations or advertisements for employees or participants placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, age, religion, sex, disability, national origin, political affiliation or belief.*
 - d. *The contractor will permit access to any contract-related books, records and accounts by the contracting agency, the State and the US Secretary of Labor for purposes of investigation to ascertain compliance with applicable rules, regulations and orders.*
 - e. *In the event of the contractor's non-compliance with the non-discrimination clauses of this contract with any such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further governments contracts and such other sanctions may be imposed and remedies invoked as provided by rules, regulations and orders of the Secretary of Labor, or as otherwise provided by law.*
 - Compliance with Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332). Contracts for the construction and repair of any government building funded by WIOA and whose values exceeds \$2,500 must include a statement referencing compliance with (c)(3)(iii) of the Contract Work Hours Safety Standards Act. This requirement does not apply to contracts for the purchase of supplies or materials or articles ordinarily available on the open market, or to work where the USDOL assistance is in the form of a loan guarantee or insurance.
 - Safety. The Eastern Carolina WDB must include the following provision in all construction contracts in excess of \$2,000 which involve the employment of laborers or mechanics provision requiring the contractor to comply with 29-70.21613 (c) (3); except if the contract is subject to the Davis-Bacon Act:

"The contractor shall not require a laborer or mechanic employed in the performance of the contract to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to health and safety."
 - Compliance with Copeland Anti-kickback Act (40 U.S.C. 276c and 18 U.S.C. 874). Contracts in excess of \$2,000 for construction, completion, or repair of public buildings, public works, or building work financed in whole or in part by federal funds, must include the provision prescribed in 29 CFR 5.5 (a)(5), requiring compliance with the Copeland Act. The Copeland Act prohibits illegal deductions or kickbacks of wages to which employees are otherwise entitled. The Eastern Carolina WDB must report all suspected or reported violations to the State.
 - Certification Regarding Lobbying. Executed contracts with value in excess of \$100,000 must include a provision which prohibits the use of federally appropriated funds for lobbying the Executive or Legislative branches of the Federal Government in connection with a specific contract, grant or loan. The Eastern Carolina WDB must ensure that the contractor completes and signs a "Certification Regarding Lobbying" form so indicating. The provision must also specify that the contractor must complete a "Disclosure of Lobbying Activities" form for any and all lobbying activities which are supported by other than federally appropriated funds.

- Buy American Notice Requirement: In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds available under the Workforce Innovation and Opportunity Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products, as required by the Buy American Act (41 USC 10a et seq.). See WIOA Section 502–Buy American Requirements.
- Salary and Bonus Limitations: None of the funds appropriated under the heading ‘Employment and Training’ in the appropriation statute(s) may be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs, or indirect costs, at a rate in excess of Executive Level II. This limitation shall not apply to vendors providing goods and services as defined in OMB Uniform Guidance. Where states are recipients of such funds, states may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from sub recipients of such funds, taking into account factors including the relative cost-of-living in the state, the compensation levels for comparable state or local government employees, and the size of the organizations that administer federal programs involved including Employment & Training Administration programs. See Public Law 113-76 (Division H, Title I, Section 105), and USDOL Training and Employment Training Guidance Letter (TEGL) Number 05-06 for further clarification which is available at http://wdr/doleta.gov/directives/corr_doc.cfm?DOCN=2262.
- Intellectual Property Rights: The Federal Government reserves a paid-up, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for federal purposes: i) the copyright in all products developed under the grant, including a subgrant or contract under the grant or subgrant; and ii) any rights of copyright to which the grantee, subgrantee or a contractor purchases ownership under an award (including but not limited to curricula, training models, technical assistance products, and any related materials). Such uses include, but are not limited to, the right to modify and distribute such products worldwide by any means, electronically or otherwise. Federal funds may not be used to pay any royalty or license fee for use of a copyrighted work, or the cost of acquiring by purchase a copyright in a work, where the US Department of Labor has a license or rights of free use in such work. If revenues are generated through selling products developed with grant funds, including intellectual property, these revenues are program income. Program income is added to the grant and must be expended for allowable grant activities.

If applicable, the following needs to be on all products developed in whole or in part with grant funds:

“This workforce product was funded by a grant awarded by the U.S. Department of Labor’s Employment and Training Administration. The product was created by the grantee and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on link sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All other uses require the prior authorization of the copyright owner.”

- Veterans' Priority Provisions: This program, funded by the U.S. Department of Labor, is subject to the priority of service requirements of 38 USC 4215 and 20 CFR Part 1010. Section 4215 of Title 38 requires that priority of service be provided to veterans and spouses of certain service members and veterans for the receipt of employment, training, and placement services. TEGL No. 10-09, which provides information to assist and support those agencies and other grantees that receive funds from the Department to operate qualified job training programs in the implementation of the Priority of Service for Veterans and Eligible Spouses Final Rule, is available at <http://wdr.doleta.gov/directives/corr-doc.cfm?DOCN=2816>.

F. Subrecipient Work Statement Requirements. The Eastern Carolina WDB requires the following elements in contract work statements with contractors/service providers who will provide participant training, and in other contract work statements as appropriate to the services to be provided or the work to be performed.

- Training Activities. A description of the type and duration of the training activity including, if applicable, length of training cycles and the approximate number of participants per cycle.
- Other Training and Support Activities. A description of other specific services and activities to be provided such as assessment, the administration of specific test instruments, individual service strategy completion, counseling, job development, placement, work experience, support payments, follow-up and their relationship to the training activities.
- Placement Targets/Wages. Occupational targets considered as training related placements, as well as the related placement wage for each target. Wages should reflect the prevailing local wage for the occupation, based on local or regional surveys.
- Participant Completion Definition. A description of the skills level to be acquired and the method(s) for measuring attainment.
- Program Entry Requirements. A description of the minimum skills levels required for entry into the program. Any educational requirement should reflect the minimum skills needed to successfully complete training. Occupational skills requirements should reflect an absence of necessary for entry employment in the occupation of training. The method to be used to assess the skills must be included.
- Target Population. A description of the participants to be served in the program by number, key demographic or target group characteristics.
- Staffing/Management Plan. A description of each job title and primary responsibilities, number of staff per job title and percent of time committed for each position to the contract. This breakout may be included in the work statement or as backup to the line item budget. An organizational chart and related job descriptions/qualifications of the individuals in the WIOA funded positions must be attached to the contract (proposal) to verify the adequacy and abilities of the staff to deliver quality services and provide effective monitoring/oversight of performance.
- Program Performance. The planned number of eligible individuals must be identified (by group, if applicable) who are to be enrolled, complete training and meet performance outcome/retention criteria.
- Facilities. A description of the facilities and location to be used during training/contract period and the facility's capabilities of serving persons with a disability.

- Equipment. An itemized listing of the equipment (e.g., computers, etc.) to be used in the program in accordance with the requirements of the training.
- Training Supplies and Materials. An itemized listing of training supplies and materials (e.g., work tools, work books, supplies) **to be used in class-sized programs**, in accordance with the requirements of the curriculum and the number of participant slots.
- Implementation Schedule. The period of performance and any requirements related to minimum start-up and completion dates for individual training cycles.
- Subcontracts. Any third parties to whom any part of the contract will be subcontracted must be identified and their responsibilities defined. All applicable work statement items will flow to the subcontract contract, with the sole exemption being on-the-job training employers.
- Coordination. A description of coordination arrangements with other organizations which will contribute funds or provide services on behalf of program participants. This description should correlate to a statement of shared/contributed costs in the budget section.

NOTE: When payments are tied to performance, the work statement elements must be consistent with payment conditions stated in the contract.

- G. Timely Contract Execution/Use of Preagreement Letters.** As a standard operating procedure, subgrant funds are to be obligated and disbursed to contractors in accordance with a fully-executed contract and/or subcontract. When the risks associated with having a fully-executed contract are outweighed by the need to provide services, the use of a preagreement letter may be used to clarify expectations until a fully executed contract is finalized. Such costs are allowable only to the extent that they will be incurred after beginning of the contract period. The letter to be executed by the Eastern Carolina WDB, **prior to program start-up and following funding approval by the WDB**, will at a minimum contain the following information:

- a general description of the service to be provided
- the negotiated line item budget for the project
- the period of the proposed contract
- a statement indicating that a fully-executed contract will be in place within a specified period, e.g., 60 days
- a statement indicating that no money will be exchanged between the parties until the contract is executed, and
- names, titles and signatures of the individuals for both entities planning to enter the proposed contract and agreeing to terms outlined regarding negotiated contract costs.

- H. Contract Administration and Records.** The Eastern Carolina WDB has established the following contract administration and records procedures, as part of the procurement and contracting process, to ensure that service providers and other suppliers comply with the terms, conditions and applicable performance requirements of contracts or purchase orders and to ensure adequate and timely completions of all transactions.

1. All WIOA contractors (service providers) are required to establish internal program management procedures to assure compliance and to review program progress. The contractor agrees to monitor and review the following major areas of operation.
 - a. Compliance with the provisions of the Workforce Innovation and Opportunity Act (P.L. 113-128) and regulations or any applicable federal or state regulations;

- b. Compliance with the provisions of the contract;
 - c. Compliance with all applicable State and Eastern Carolina WDB policies; and
 - d. Compliance with 2 CFR 200.333 to 200.337 regarding records maintenance.
2. Contractors (service providers) must cooperate with any monitoring, inspection, audit or investigation of activities related to WIOA contracts. These activities may be conducted by the North Carolina Division of Workforce Solutions, the State of North Carolina, the U. S. Department of Labor and the Eastern Carolina WDB, or their designated representatives. This cooperation includes access to the premises for the purpose of interviewing employees or participant and permitting the examination of books, records, files, or other documents related to the contractual agreement.
 3. The following records and documents must be maintained for WIOA participants and employees. The contractor (service provider) agrees to make these records available for monitoring and review by the Eastern Carolina WDB and agrees to retain these records, subject to audit, for three years from completion of services. Release of responsibility to retain records after the three (3) year period will not be authorized until final resolution of all audit findings.
 - a. General ledger or equivalent;
 - b. Cash receipts and cash disbursement journals/reports or equivalent;
 - c. Bank statements, reconciliation, deposit slips, and canceled checks for each bank account through which WIOA funds were received or disbursed;
 - d. Contract with the Eastern Carolina WDB, including all amendments;
 - e. All financial reports and requests for reimbursement;
 - f. Payroll records including Individual Earning Record, Employee Withholding Authorization (W-4);
 - g. Invoices and/or supporting data for non-payroll disbursements;
 - h. Participant records including data forms, verification/documentation items, assessment tests and results and the Employment Plan (or Individualized Services Strategy);
 - i. Monthly Participant and Financial Reports and Monthly Program Performance reports; and
 - j. Any other financial records requested by the Eastern Carolina WDB.
 4. The contractor (service provider) agree to conduct internal financial reviews of the following major areas.
 - a. Compliance with the provisions of the Workforce Innovation and Opportunity Act and its regulations;
 - b. Compliance with the provisions of the WIOA Contract;
 - c. Compliance with the applicable State and Eastern Carolina WDB Policies;
 - d. Compliance with the WIOA contract regarding record maintenance;
 - e. Compliance with accepted financial management and accounting practices as appropriate;
 - f. Compliance with applicable OMB circulars as appropriate.
 - g. Internal financial management procedures shall be sufficient to prevent fraud and abuse. All suspicion of, or instances of criminal misconduct, fraud or willful and gross misconduct, in connection with any WIOA program shall be reported immediately to the Eastern Carolina WDB, the North Carolina Division of Workforce Solutions and to the U.S. Department of Labor. Internal financial management procedures must also ensure that auditable and otherwise adequate records are maintained which support all

expenditures of WIOA funds and confirm adherence to policies regarding allowable costs and allocations of costs to proper cost categories. The contractor shall document all internal financial compliance reviews.

5. The Eastern Carolina WDB will reimburse the contractor (service provider) for total allowable costs incurred as agreed upon between the two parties. The contractor (service provider) will submit a MONTHLY FINANCIAL STATUS REPORT AND INVOICE (form) for reimbursement of incurred allowable costs. The invoice must be submitted to the Eastern Carolina WDB within time frames established by the Board.

In order to assure that the Eastern Carolina WDB reimbursements are used in accordance with the provisions of the contract, the contractor shall: (a) use such fiscal, audit, and accounting procedures as may be necessary to assure proper accounting for reimbursements received; and (b) provide the Eastern Carolina WDB and authorized representatives of the U.S. Department of Labor or the Comptroller General of the United States access to and the right to examine any books, documents, papers, records, property and equipment pertaining to funds provided or activities undertaken concerning the program.

All contractor invoices and other reports must contain information required by the ECWDB. The final contract closeout report must be furnished to the ECWDB within thirty (30) days after the ending date of the contract.

- I. **Monitoring.** The Eastern Carolina WDB has established the following monitoring procedures to ensure that contractors/service providers comply with performance requirements and provisions of the contracts:

- The monitoring procedures and activities include a review of the WIOA Service Provider's policies and procedures, expenditure reports, NCWorks reports, the individual training account system, review of performance both of WIOA funded activities, and management practices supported by WIOA funds. Monitoring activities are conducted periodically to ensure that services comply with contractual agreements, Eastern Carolina WDB policies, WIOA regulations, and Local Area requirements.
- The Eastern Carolina WDB evaluates the provider's quality of services based on the performance outcomes as established by the WIOA core indicators of performance of all adult, dislocated worker, and youth programs. In addition, the Local Area has developed customer satisfaction surveys to measure both employers' and participants' satisfaction with the WIOA services. Information is collected to determine the customer's overall level of satisfaction with the services received to include access to quality information, treatment by program staff, access to services, and outcomes of services provided.
- Systems monitoring is conducted to review the organizational and operational systems of the WIOA service provider to ensure that internal management systems are functioning effectively to operate WIOA activities. All WIOA service providers are required to implement internal program management procedures to ensure that WIOA requirements are fulfilled. These procedures are sufficient to prevent fraud and abuse and ensure that auditable records are maintained that support the use of WIOA funds.
- Technical assistance is provided through regularly scheduled service provider meetings throughout the year to explain Local Area/WIOA required forms, policy, procedures, accounting requirements, and to address any questions or concerns. Technical assistance is

offered to providers to correct deficiencies and/or strengthen programs on a continual basis.

The following procedures outline the Eastern Carolina WDB's monitoring and evaluation process to ensure continuous improvement practices are implemented:

- 1) WIOA service providers are notified in writing of the Local Area's plans for a monitoring visit. The notification letter identifies the areas to be reviewed and anticipated time schedule.
- 2) A pre-monitoring desk review is conducted. All pertinent files, contracts, reports and records relative to the WIOA service provider and the Local Area are reviewed. Appropriate monitoring worksheets and questionnaires are developed, and statistical data from monthly reports are analyzed to evaluate program performance.
- 3) An entrance interview is conducted to outline the monitoring process. Any findings developed through the desk review are discussed at this time with the program administrator, and the objectives of the monitoring are detailed.
- 4) Participant files are reviewed for compliance with WIOA and Local Area requirements. Selected participants are interviewed to assess their satisfaction with services provided by the WIOA service provider.
- 5) An exit interview is conducted at the completion of the monitoring visit. Major findings and recommendations for corrective action are explained to the staff present at this time.
- 6) A written report is prepared within 15 working days of completion of the monitoring visit.
- 7) If warranted, WIOA service providers are required to provide a report of corrective action within 15 days of receipt of the Local Area's monitoring report. Failure to do so may result in immediate termination of the contract or refusal to release funds until the Local Area receives an acceptable response.

J. **Contract Files.** The Eastern Carolina WDB will maintain a file on each executed contract to document the record of the contract, performance against the contract and payments made. At a minimum, the file will include the following elements:

- executed contract and modifications
- cost/price analysis for each modification **or documentation as to why it was not required**
- official correspondence, and
- memos to file.

K. **Property Control.** The Eastern Carolina WDB has developed the following procedures and controls for property acquisition, utilization, maintenance, and disposition.

The WIOA Service Providers and NCWorks Career Center Managers, as applicable, agree to maintain careful accountability of all Workforce Investment Act/WIOA purchased non-expendable property (property with a life expectancy of one year or more and a unit cost of \$500.00 or more) and to maintain an inventory of all properties issued by the Eastern Carolina WDB or subsequently acquired with WIOA funds. Acquisition of non-expendable property with a unit cost of \$500.00 (including taxes, shipping and handling costs) or more must be approved in writing by the Eastern Carolina WDB, prior to the purchase. The Eastern Carolina WDB will

maintain a fixed-asset listing to be verified for physical location and serviceability at the Service Provider or NCWorks Career Center agency at least annually. Ownership of all non-expendable property purchased with WIOA funds remains with the Eastern Carolina WDB. Continued rights to use such property is contingent on continued use in WIOA activities as determined by Eastern Carolina WDB.

1. Any purchases made for \$5,000 or more with WIOA funds must be approved by the Eastern Carolina WDB and the State. The State, or the Eastern Carolina WDB, if so designated, will monitor the inventory of all items purchased or leased with a value of \$5,000 or more.
2. The WIOA Service Provider or NCWorks Career Center Manager, as applicable, agree to not dispose of or transfer any non-expendable property purchased with WIOA funds which has a unit cost of \$500 or more and/or a life expectancy of one year or more until written authorization is received from the Eastern Carolina WDB. Any disposal of WIOA property must be according to applicable Federal, State and local disposal procedures. Any revenues derived from the sale of property purchased with WIOA funds must revert to a WIOA activity.
3. The WIOA Service Provider or NCWorks Career Center Manager, as applicable, will be responsible for maintaining an accurate inventory of all WIOA property in their possession.
4. In the event property purchased with WIOA funds is stolen or destroyed by criminal act, the WIOA Service Provider or NCWorks Career Center Manager, as applicable, will notify appropriate law enforcement officials immediately. The ECWDB Director must be notified within three (3) working days of discovering the loss or damage. A copy of the police report will be maintained as documentation of loss, and a copy forwarded to the Eastern Carolina WDB.
5. The WIOA Service Provider agrees to pay for or replace any property purchased with WIOA funds that is lost, damaged or destroyed. Federal funds may not be used to pay for, or replace, the missing property.
6. The WIOA Service Provider or NCWorks Career Center Manager, as applicable, will identify the staff specifically assigned to maintain property inventory records and serve as a liaison with the Eastern Carolina WDB Director (or designee) regarding matters of non-expendable property, inventory and accountability.