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# **NORTHEAST MISSOURI WORKFORCE DEVELOPMENT BOARD**

## **Procurement Guidelines Manual**

**Effective 7/1/2020**

The NEMO Workforce Development Board is an equal opportunity employer/program. Auxiliary aids and services are available upon request for individuals with disabilities. Missouri TTY users may dial 7-1-1.

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## **Procurement System Guidelines**

This document establishes acceptable principles and practices for purchasing systems and procurement guidelines administered by the NEMO Workforce Investment Board, Inc. dba the NEMO Workforce Development Board (NEMO WDB). These principles apply to funds provided to subcontractor(s) and their lower tier subcontractor(s), if applicable, under the Workforce Innovation and Opportunity Act (WIOA) and any additional funds provided through any contract agreement(s) with the NEMO WDB.

The NEMO WDB and its subcontractor(s) shall have written procedures for purchasing and/or procurement transactions. These procedures shall ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product or service to be procured.

The description for competitive procurement must identify all requirements, which the offeror must fulfill, and a description of the basic procedure to be used in evaluating bids or proposals. The description shall not contain features that unduly restrict competition.

The NEMO WDB and its subcontractor(s) shall maintain a written code of Standards of Conduct governing the performance of persons engaged in the award and administration of contracts and sub-grants. To the extent permitted by state or local law or regulation, such standards of conduct will provide penalties, sanctions or other disciplinary actions for violations of such standards by the awarding agency's officers, employees or agents or by contractors of their agents. (Exhibit C)

The NEMO WDB and its subcontractor(s) shall be responsible for the efficient and effective administration of procurement systems. The contractor and subcontractor assume the responsibility for seeing that program funds have been expended for procurement of goods and services consistent with program objectives. Each agency will have the primary responsibility for employing those organizational and management techniques that will result in the proper and efficient administration of the procurement system. The basic premise of governmental procurement is that maximum open and fair competition is essential to acquire/lease the best supplies or services at the lowest cost to tax payers. "Purchase" shall mean the acquisition of any item, service, system of items, or groups of similar items. Grouping of items for purchase is encouraged to assist the program of discounts and competitive bidding. "Acquisition" shall include leases, rentals, purchases, or lease/purchases. The Subrecipient and its Subrecipients are strongly encouraged to provide subcontracting/sub granting opportunities to Historically Black Colleges and Universities and other Minority Institutions such as Hispanic-Serving Institutions and Tribal Colleges and Universities; Women's Business Enterprises, Labor Surplus Area firms, and Small Businesses Owned and Controlled by Socially and Economically Disadvantaged Individuals (2CFR 200.321).

Terms and conditions used through this document may be found in Exhibit B attached.

The NEMO WDB's audit of subcontracts purchasing/procurement systems will always follow at a minimum, the procurement guidelines set forth by the NEMO WDB.

The NEMO WDB procurement system shall document and include all expenditures (excluding reoccurring purchases such as rent, utilities, telephone, insurance, payroll, payroll deductions, and payroll taxes for which a Needs Assessment is prepared at time of bid, as necessary).

The following outlines the procurement system and guidelines utilized by the NEMO WDB and its subcontractor(s). The most current Uniform Guidance OMB Circular shall be utilized for determining the appropriateness of all costs applicable to WIOA.

A non-competitive (sole source) procurement is defined as procurement through a solicitation of a proposal from only one source, or when competition is determined inadequate after solicitation from a number of sources. Sole source procurements under WIOA and other federal or state funding sources shall be minimized to the extent practicable. All sole source procurements shall be justified and documented in writing. Any procurement, which results in less than three (3) bids, shall be well-documented and shall support the sole source procurement.

The NEMO WDB shall utilize only cost reimbursement contracts when contracting with a governmental entity and other regions. The NEMO WDB intends to contract annually, with the option of up to three (3) one year renewals, and the right to include additional funds for the same services as, or if, funds are made available if:

- 1) The service provider met or exceeded overall state mandated performance measures.
- 2) The service provider provided quality training as reflected by satisfactory monitoring results and at a reasonable cost, which supports the previous bid and/or reflects local economic conditions. If these conditions are not met in any Workforce Development Region, the AE and the WDB may revert to an annual RFP or RFQ process in any and all sub-regions that do not meet the conditions.
- 3) The NEMO WDB recognizes that the cost of training participants may vary as a result of changes or new requirements dictated by federal or state government. The program operator will not be penalized for incurring a higher cost per participant, entered employment, or successful termination for training as a result of those changes or new requirements. However, program operators must be able to document that increased costs were outside of their control rather than a lack of fiscal management and control.

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Due to new guidance from the Office of Management & Budget issued on June 20, 2018, with an effective date of October 1, 2018, NEMO WDB has revised this policy as follows.

The Office of Management and Budget memorandum (M-18-18), issued on June 20, 2018, increased the threshold for micro-purchases under Federal financial assistance awards from \$3,500 to \$10,000 and the threshold for simplified acquisitions under Federal financial assistance awards from \$100,000 to \$250,000. The threshold increases were effective for all Employment and Training (ETA) grantees as of October 1, 2018. The Subrecipient should carefully review the above-referenced memorandum and make any necessary updates to their financial and administrative policies, procedures and systems as a result of these threshold increases.

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## **Section One**

### **Micro-Purchases (Procurement of Purchases up to \$10,000)**

Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold of \$10,000. (§ 200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price reasonable.

**NOTE:** NEMO WDB and its Subrecipient(s) must request prior approval from the OWD before purchasing any equipment worth more than \$5,000.

**NOTE:** NEMO WDB and its Subrecipient(s) must request prior approval from the OWD before disposing of any equipment worth \$5,000 or more. Equipment with a current per-unit fair market value of \$5,000 or less may be retained or disposed of with no further obligation to the OWD

Purchases of less than \$3,000 do not need approval from NEMO WDB, with exceptions. If equipment is purchased for \$1,000 or more, the Requestor must complete the *Equipment Memorandum Form (Attachment 3)* Section A, B, and C and submit it to the NEMO WDB Fiscal Officer, who will then complete Sections D-I and assign an inventory tag number to the piece of equipment. Also, see Exhibit A – Property Management and Inventory.

Due to limited funding, NEMO WDB will require approval of all purchases that are more than \$3,000 but less than \$10,000. The Requestor will complete Section A, B, & C of *the Northeast Workforce Development Board Procurement Form (Attachment 1)* and submit to the NEMO WDB Executive Director for approval. WDB will complete Sections D-I. In order to ensure we are getting the best price/value on the purchase the Requestor will be required to do a price comparison (Section C). The Requestor may use catalogs/flyers, store shelf prices, internet, etc. to acquire the proper documentation.

**NOTE:** Equipment that may retain “sensitive information” (computers, notebooks, tablets, cameras, cell phones, etc.) with a cost of \$100.00 or more will require the completion of the *Equipment Memorandum Form (Attachment 3)*. The form shall be forwarded to the WDB Fiscal Officer so an Inventory number may be assigned and a “Property of NEMO WDB” tag will be affixed to the item. Items may be determined to be sensitive at the discretion of the NEMO WDB.

Requestor shall not make a commitment to a vendor for purchase until proper approval has been received. Any purchases made before approval process will be considered disallowed costs and will be reimbursed to WIOA from non-Federal sources.

## **Section Two**

### **Procurement of Small Purchases and Goods and Services for more than \$10,000 but less than \$100,000**

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that cost more than \$10,000 but less than \$100,000.

This procurement option requires at least three written bids from separate vendors unless exempted by small item purchase waiver, unavailable waiver, or intergovernmental purchases. The requestor should prepare a detailed Invitation for Bid (IFB) containing the required specifications and the expected date of response. When the written bids are received from the bidders, they should be forwarded along with a completed *Northeast Workforce Development Board Procurement Form – Section A, B & C (Attachment 1)* to the NEMO WDB Executive Director. WDB will complete Section D-I. The reviewer must check whether the procurement process is complete or incomplete, and sign and date the document and give to the WDB Executive Director for signature/approval.

A copy of all bids, the determination of each bid and response to all bidders shall be retained at the NEMO WDB office. If the NEMO WDB decides that, all bids are unacceptable and circumstances do not permit a re-bid, negotiations may be conducted with only those bidders who submitted bids. No additional bidders may be solicited. Upon determination that negotiations will be conducted, the bids and related documents will be closed to public viewing.

When the award selection is complete, a contract shall be completed according to the accounting procedures. The contract will be given to the WDB Executive Director for signature and date approved. The signed contract will be sent to the agency awarded for signature/date and return. A signed copy of the contract will be retained by the WDB Fiscal Officer for filing with all documentation included.

Due to limited funding, NEMO WDB requires approval from the Workforce Development Board and the CLEO on all expenditures of over \$25,000.00. The Requestor must submit the completed "Northeast Workforce Board Procurement Form" (Attachment #1) along with the quotes/bids to the WDB Executive Director to initiate an approval from the full Board and CLEO and obtain the required signatures before a commitment to purchase is made to a vendor. WDB will complete Sections D-I.

Requestor shall not make a commitment to a vendor for purchase until proper approval has been received. Any purchases made before approval process will be considered disallowed costs and will be reimbursed to WIOA from non-Federal sources.

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## **Section Three**

### **Procurement of Goods and Services for \$100,000 or more**

When the procurement is estimated to be \$100,000 or more and to ensure full and open competition for provision of services under the Workforce Innovation and Opportunity Act (WIOA), the Northeast Workforce Development Board (NEMO WDB) has established the processes outlined below. A competitive bidding process (RFP/RFQ) will be required for this level of spending. These processes comply with 2 CFR Part 200.318-326; TEGL 35-10; and OWD Issuance 15-2019.

The DRAFT proposal prepared by the NEMO WDB Staff will be presented to NEMO WDB Members and CLEO for their review prior to release to the public.

To foster competitive procurement in accordance with WIOA guidelines, the NEMO WDB maintains a list of potential bidders who receive the Request for Proposals either in hard copy or in electronic format. That list is updated periodically as the NEMO WDB becomes aware of organizations that might have an interest in providing services. The NEMO WDB intends to provide notification of the RFP/RFQ to ensure that it is available to an adequate number of potential bidders, in an effort to obtain the receipt of three (3) proposals. The notice of RFP/RFQ is published on the NEMO Website <http://nemowib.org> and the link is sent to all Board Members and CLEO's, NEMO Partner Agencies, TEAM Website, and the NAWDP website. Proof of publication to the website, the list of potential bidders and interested parties will be retained in the RFP/RFQ file. Hard Copies of the RFP/RFQ will be sent upon request.

The RFP/RFQ shall contain, at a minimum, the following elements:

- 1) A statement which identifies the desired quality of work, applicable performance standards,

- quality control measures and all record and reporting requirements (technical, progress, and financial reports), along with the estimated funding available;
- 2) Clear definitions of important terms relating to work to be performed and for which there could be more than one meaning;
  - 3) The objectives to be achieved or outcomes expected to result from the purchase of the particular service or goods;
  - 4) A work schedule for the contract period which identifies time frames, benchmarks, and review and approval points (including contract completions);
  - 5) Any practical or legal limitations or sanctions, which should be expected or may be imposed upon the performance of work under a contract, including the manner of payment and acceptance of performance.
  - 6) Instructions concerning use of formats, attachments or additional documents to be submitted, specific elements to be addressed when responding and instructions on submitting cost/price information.
  - 7) Identification of all laws, licensing, certification or assurances with which a contractor is expected to comply;
  - 8) A statement of nondiscrimination and Equal Opportunity requirements as set forth in the WIOA.
  - 9) A statement that the offeror shall have written procedures for procurement transaction that include or comply with the procurement procedures included in the NEMO Workforce Development Board Financial Manual and/or any additional procurement instructions issued by the agency issuing the RFP/RFQ.
  - 10) A statement that the offeror or its sub-recipients shall not use funds provided through the RFP/RFQ under WIOA to duplicate facilities or services available in the area (with or without reimbursement) from Federal, State or Local sources.
  - 11) The offeror shall certify that to the best of their knowledge and belief, the cost data is accurate, complete and current as submitted in their response;
  - 12) Instructions that each offeror conduct and document oversight to ensure compliance with procurement standards;
  - 13) Instructions that each offeror shall maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders;
  - 14) Instructions that the offeror shall have written protest procedures to handle and resolve disputes relating to their procurements that comply with policies and procedures or systems developed by the State and the agency issuing the RFP/RFQ;
  - 15) A precise statement of when, where and how bids are to be submitted (time frames will be reasonable to allow for an informed bid);
  - 16) The manner in which questions may be directed, and identification of any special procedures to be used in requesting information;
  - 17) A precise statement of the evaluation criterion to be used to evaluate the bids;
  - 18) The right to accept or reject any/all bids;
  - 19) The right to extend or renew, for the same services, for a specialized period. The maximum contract period shall be one year with three (3) one-year renewal options. Additionally, the right to include additional funds for the same or similar services as, or if, the funds are made available; and

20) Any item intended for inclusion in the contract that is not listed above.

In order to clarify any questions or issues in the RFP/RFQ, either a pre-bid question and answer conference call or meeting may be held with prospective bidders or an opportunity to email their questions and the questions and answers will be posted on the NEMO WIB website. This shall be maintained for documentation.

Upon receipt of any bids, the bids shall be recorded in a procurement log (Attachment 2) with the date and time received by the individual accepting the bid. A second staff person must verify the date and time received by signing the procurement log. The procurement log will then become part of the procurement file. One copy of each bid shall be retained. Bids received after closing time shall be unopened. Documentation shall be made and retained for filing, noting that the bid was received after closing time. In the event that the WDB receives a container that is not identifiable as a specific bid/proposal, an authorized person may open the container to determine the contents. If the contents are determined to be a bid/proposal, the container will be resealed and the solicitation number, opening date, and time will be noted on the outside. The container will then be placed with the other proposals until the official time for opening.

Bids shall not be opened prior to the stated closing time and date. At least two (2) persons of the administrative staff shall open all bids. These opened bids shall be forwarded to the Evaluating Committee Members. Each committee member shall be advised to review each bid before the formal Evaluation Committee meeting is held. Documentation of those present at the bid opening shall be retained.

#### **Review of Proposals & Award Recommendation:**

For the WIOA Adult and Dislocated Worker programs, an evaluation committee will be formed from the NEMO WDB One-Stop and Executive Committee to evaluate the proposals received in response to the RFP/RFQ and committee members will independently review and score each proposal. The evaluation committee will then present its recommendation(s) to the full NEMO WDB along with the Chief Local Elected Officials who will be responsible for the final selection of the service provider(s). WDB staff and committee members will independently review and score each proposal. The evaluations will be coded for confidentiality reasons.

For the WIOA Youth program, an evaluation committee will be formed from the NEMO WDB Youth Council to evaluate the proposals received in response to the RFP/RFQ and committee members will independently review and score each proposal. The evaluation committee will present its findings to the Youth Council. The Youth Council will then recommend their selection or selections to the full NEMO WDB along with the Chief Local Elected Officials who will be responsible for the final selection of the service provider(s). WDB staff and committee members will independently review and score each proposal. The evaluations will be coded for confidentiality reasons.

The Evaluation Committee shall schedule a meeting to evaluate the bids. The Evaluation Committee has four (4) items in particular to address when determining who shall be awarded a bid through an RFP/RFQ. These items are:

1. Determine which bids are responsive. Non-responsive bids shall be omitted from future analysis and a written report must be prepared with adequate documentation of the reasoning for any bid deemed non-responsive.
2. The proposals shall be analyzed in accordance with criteria established in the RFP/RFQ. At a minimum, awards will be based on the vendor's:



- Ability to deliver services to the targeted population in accordance with locally established guidelines;
  - Experience in working with the targeted population in similar programs and activities;
  - Past performance record, including both programmatic and fiscal integrity;
  - Understanding of and commitment to meeting goals and objectives; and
  - Demonstration of understanding of and commitment to continuous improvement methods
3. The committee shall make the decision on who shall be awarded the bid based on the evaluation. The committee has the option to recommend that no bid be awarded if there are reasons why it is not in the best interest of the WIOA program.
  4. The committee shall prepare a formal report of the award or denial and stating reasons for doing so.

Once providers are selected, performance targets and milestones may be negotiated in order to bring the entire workforce investment area into compliance with goals created by the WIOA Performance Measures.

**Award/Non-award Notification:**

Each organization that responds to the RFP/RFQ with a written proposal is notified via letter of award/non-award based on majority vote at the Board meeting.

A copy of the award notice and any succeeding reports shall be maintained for documentation.

The Administrative Entity will issue a letter of intent to contract to the awardees. When the funding contracts are received from the Grantors, a Notice of Obligation and will be forwarded and along with a signed and dated contract based on the proposal submitted and selected by the WDB and CLEO's. The awardee will sign and date the contract and return to NEMO WDB. The Executive Director must approve all contracts, thereby safeguarding against any unauthorized contracts.

**B. Additional Policies Applicable to Equipment**

1. Specifications included in an Invitation for Bid (IFB) shall be described with generic or functional terminology whenever reasonably possible. However, specifications may be based upon brand name descriptions if generic or functional specifications (“or equal”) are added as an inherent part of the bid solicitation.
2. Intergovernmental purchases - Purchases between units of government shall be documented by the NEMO WDB and will require the completion of Sections A, B, & C of *the Northeast Workforce Development Board Procurement Form (Attachment 1)* explaining why the unit of government is the best agency from which to make the purchase. WDB will complete Sections D-I. The documentation for the formal evaluation of reasonableness of need(s) shall be retained.
3. Emergency Purchases - Emergency purchases for a situation that creates a serious or obvious threat to life, property, public health, public safety or operation of the agency in executing its legal responsibilities/services to the public, or property (includes public records) in its legal care or control as may arise by reason of flood, epidemic, illness, riot, natural disaster, accident, equipment failure or similar causes will require strict documentation of the existing emergency conditions to be filed with the purchase order and invoice. An emergency purchase can only be allowed when immediate action is necessary to resolve an extra-

ordinary situation and the resolution of the condition receives priority over routine operations and duties of the agency. The requirement for formal competitive bids or proposals may be waived. However, the emergency procurement should be made with as much informal bidding as practicable. Emergency procedures should only be utilized to purchase those supplies, which are necessary to alleviate the emergency. The WDB Executive Director or the Director's designees must declare such an emergency.

4. Co-purchase Prohibition - NEMO WDB and its subcontractor shall not use any WIOA funds to co-purchase equipment.
5. Requests for approval made after purchase, if denied, constitute a WIOA disallowed cost.

### **C. Items Exempt from Competitive Procurement: Sole Source Exemptions/Single Feasible Source**

A non-competitive (sole source) procurement is defined as procurement through a solicitation of a proposal from only one source, or when competition is determined inadequate after solicitation from a number of sources. Sole source procurements under WIOA and other federal or state funding sources shall be minimized to the extent practicable. All sole source procurements shall be justified and documented in writing. Procurement by non-competitive proposals will be used only when:

- a. The emergent needs for the item or service does not permit the delay resulting from competitive
- b. The item or service is proprietary and only available from a single source not excluding items or services under a different name or packing.
- c. If past procurement activity indicates that only one (1) bid has been submitted in a particular region, a Single Feasible Source Procurement may be authorized.
- d. If supplies are available at discount from a single distributor for a limited period, a Single Feasible Source Procurement may be authorized.
- e. Any procurement, which results in less than three (3) bids, shall be well documented and shall support the sole source procurement.

**Exempt procurements** must follow the requirements of this guide in regards to the reasonableness of cost and price analysis, cost reimbursable basis, and debarred and suspended parties. Agencies are required to select the best-known price from known vendors.

The following items are **exempt** from competitive procurement:

- ❖ The parts that are required to maintain validity of a warranty,
- ❖ Reoccurring purchases such as rent, utilities, telephone, insurance, payroll, payroll deductions, and payroll taxes,
- ❖ Additions to a system must be compatible with original equipment,
- ❖ Only one (1) type of computer software exists for a specific application, or
- ❖ Factory authorized maintenance must be utilized in order to maintain validity of a warranty,

- ❖ The materials are copyrighted and are only available from the publisher or a single distributor,
- ❖ The services of a particular provider are unique, e.g. entertainers, authors, etc.
- ❖ Magazines, books, periodicals and newspapers.
- ❖ Any form of direct advertising space and time, unless there are multiple businesses in the area able to provide the same services to the same coverage area needed and same demographics
- ❖ Conferences - The cost of attending or participating is exempted. The cost of putting together a conference is not exempted.
- ❖ Training Sessions and Seminars - related to the individual's profession or program.
- ❖ Updates of computer software that the agency already owns.
- ❖ Agencies eligible to acquire equipment from either State or Federal surplus property may do so without any additional procurement practices.
- ❖ Agencies eligible to buy from state contract awarded by the Division of Purchasing may do so without any additional procurement practices.
- ❖ Agencies may contract with OWD, to provide statewide coordinated services (such as MoJobs).
- ❖ Agencies may contract with the State of Missouri, Department of Elementary and Secondary Education (DESE) to provide services provided DESE does so at no additional administrative cost.
- ❖ Enrollment of individual participants in classroom training.

#### **D. Procurement System General Statements**

1. The NEMO WDB and its subcontractors shall not utilize any WIOA funds to co-purchase equipment.
2. The NEMO WDB and its subcontractors will have a formal lease agreement for any rental payments. All lease agreements shall contain a 30-day cancellation clause in the lease in the event the contract would be canceled or there would be discontinuation of funding. The Grant Recipient/Administrative Entity must approve any lease with a purchase option in writing. Failure to inform the Administrative Entity of a purchase option even if it is not exercised may, at the AE's discretion result in disallowance of the entire lease cost.
3. Any capital improvements, including any repairs in **excess** of \$500 shall have Grant Recipient/Administrative Entity approval in writing.
4. An equipment purchase requires prior check with the various Government warehouses.
5. Any purchase of equipment not specifically mentioned in a contract, in both price and quantity shall not be allowed.
6. Any purchase of equipment costing over \$1000 shall require a request for purchase of equipment from the subcontractor(s) to the Administrative Entity before any purchase shall be granted for approval.

7. Contracts will be awarded to the bidder providing the best product and/or service that are available for the lowest price consistent with the specifications.
8. If the NEMO WDB decides that, all bids are unacceptable and circumstances do not permit a re-bid, negotiations may be conducted with only those bidders who submitted bids. No additional bidders may be solicited. Upon determination that negotiations will be conducted, the bids and related documents will be closed to public viewing.

Exhibit A

## PROPERTY MANAGEMENT AND INVENTORY

The NEMO Workforce Development Board has established and implemented inventory rules and regulations that will be used by the Administrative Entity and contracting agencies. All subcontractors will be required to implement these rules and regulations.

Personal or real property procured with funds authorized by WIOA or transferred from programs under WIA prior to July 22, 2014 must be used only for purposes authorized by WIOA. The State of Missouri shall have clear title to all such property. Personal or real property procured after July 22, 2014, by States and Governmental sub-recipients with WIA or WIOA funds shall be governed by the definitions and property requirements in the DOL Regulations at 29 CFR, Part 97. Personal or real property procured after July 22, 2014, by non-governmental sub-recipients with WIA or WIOA funds shall be governed by the definitions and property management standards of OMB Circular A-110, as codified by Administrative Regulations of the Department of Labor. Title to property acquired or produced by a sub-recipient that is a commercial organization shall vest in the awarding agency, providing such agency is a governmental entity or a non-governmental organization that is not a commercial organization. If the awarding agency is also a commercial organization, title shall vest in the higher level, non-commercial awarding agency that made the sub-award to the commercial sub-recipient.

Equipment that may retain “sensitive information” on a hard drive or in memory (computers, notebooks, tablets, cameras, cell phones, etc.) with a cost of \$100.00 or more will require the completion of the *Equipment Memorandum Form (Attachment 3)*. The form shall be forwarded to the WDB Fiscal Officer so an Inventory number may be assigned and a “Property of NEMO WDB” tag will be affixed to the item. Items may be determined to be sensitive at the discretion of the NEMO WDB.

NEMO WDB and its Subrecipient(s) must request prior approval from the OWD before purchasing any equipment worth more than \$5,000.

NEMO WDB and its Subrecipient(s) must request prior approval from the OWD before disposing of any equipment worth \$5,000 or more. Equipment with a current per-unit fair market value of \$5,000 or less may be retained or disposed of with no further obligation to the OWD

The NEMO WDB will perform, reconcile, and document a physical inventory at least once every other year to be conducted along with the financial monitoring or during the last quarter of the fiscal year (April-June). A WDB staff member may perform the physical inventory.

The NEMO WDB inventory system and equipment listing shall contain: (1) description of property, (2) serial number, (3) unit acquisition dollar amount, (4) funding source, (5) program, (6) FAIN #, (7) title of ownership, (8) location of equipment, (9) acquisition date, (10) % of Federal participation, (11) Current use of equipment, (12) Condition of equipment, (13) Date of last inventory, and (14) Sub-Contractor Tag#, if any.

When property is disposed of the following information will be required; (1) Disposal Date, (2) Fair Market Value, (3) Method Used to Determine Value, (4) Disposition Sale Price.

Adequate steps must be taken to maximize the realized amount of proceeds from the disposition of equipment. While proceeds from the sale of equipment are not Program Income, they shall be reported to the OWD on CPR in a manner similar to that of Program Income. The OWD shall have a right to an amount of the proceeds in proportion to OWD’s share (percentage of participation) in the cost of the original equipment.

Exhibit B

**DEFINITIONS**

- A. Agency - The entity that has or will enter into a contract agreement directly with the Office of Workforce Development or a sub-recipient or any tier below that level making a procurement.
- B. Sub-recipient - shall mean the legal entity to which a subcontract is awarded and which is accountable to the recipient (or higher tier sub-recipient) for use of the funds provided. For WIOA purposes, distinguishing characteristics of a sub-recipient include items such as determining eligibility of applicants, enrollment of participants, performance measured against meeting the objectives of the program, responsibility for programmatic decision making, responsibility for compliance with program requirements and use of the funds awarded to carry out a WIOA program or project, as compared to providing goods or services for a WIOA program or project (vendor). Northeast Region Grant Recipients and WIOA Title I Sub-state Grantees are particular types of sub-recipients.
- C. Subcontractor - shall mean the agency that contracts with a DWD contractor or any level below that subcontractor.
- D. Offeror - The entity submitting a response to a procurement solicitation.
- E. Vendor - shall mean an entity responsible for providing generally required goods or services to be used in the WIOA program. These goods or services may be for the contractor or subcontractors own use or for the use of participants in the program. Distinguishing characteristics of a vendor include items such as: providing the goods and services within normal business operations; providing similar goods or services to many different purchasers, including purchasers outside the WIOA program; and operating in a competitive environment. A vendor is not a sub-recipient/subcontractor and does not exhibit the distinguishing characteristics attributable to a sub-recipient/subcontractor. Any entity directly involved in the delivery of program services not available to the general public, with the exception of an employer providing on-the-job training, shall be considered a sub-recipient rather than a vendor.
- F. Contractors - the organization, entity or individual that is awarded a contract under the agency or sub-recipient's procurement standards or procedures.
- G. Cost Estimating - the process of determining what the asking price for goods and services should be given WIOA regulations concerning the criteria for a reasonable and fair price.
- H. Allocability - a term which means that an expense must be in support of one or more of the objectives of the grant/contract/agreement.
- I. Allowability - a term which means that an expense can be charged to a contract, either as a direct or indirect charge.
- J. Catalog Price - a price published in a catalog, price list, schedule or other form regularly maintained by a manufacturer or supplier and is published or made available for inspection by buyers.

- K. Cost Analysis - the review and evaluation, element by element, of the Cost Estimate supporting an organization's proposal for the purpose of pricing a contract.
- L. Commercial Item - a class or kind of product or service regularly used for other than government purposes and sold or traded in the course of normal operations.
- M. Direct Cost - costs that can be identified specifically with a particular final cost objective.
- N. General Public - an item is sold to the general public if it is sold to other than affiliates of the seller for end use by non-government organizations.
- O. Indirect Cost - costs that are incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objective specifically benefited without effort disproportionate to the results achieved.
- P. Market Price - a price currently established in the usual and ordinary course of trade between buyers and sellers free to bargain. The price must be established from sources independent of the manufacturer or vendor.
- Q. Parametric Estimate - a cost of price yardstick or benchmark, such as: dollars per pound, dollars per square yard, cost per hour and price or cost per instructional hour.
- R. Price Analysis - the process of examining and evaluating a price without looking at the estimated cost elements and proposed profit of the offerer whose price is being evaluated.
- S. Reasonableness - a term which means that a cost or price is not greater than what one would expect an ordinarily competent and prudent person to charge when conducting business in a competitive environment.
- T. Substantial Quantities - enough of the product or service is sold to establish a real commercial market for the item.
- U. Comparisons - When conducting comparisons keep in mind that the lowest price is not necessarily the best prices since factors other than the final price must be considered (e.g., demonstrated performance). Other factors to be considered may consist of:
  - 1. Ensuring that the offerer is, in fact, actually capable of performing the work at the level of effort and with the quality required to satisfy the contract, and
  - 2. Ensuring that the offerer is actually submitting a proposal which answers the statement of work (scope of work) in the IFB/RFP/RFQ, and
  - 3. Compared with current proposals for IFBs/RFPs/RFQs for similar work on other contracts.

NOTE: Here the comparison is not quite as ideal as with primary comparisons. The difference in this instance is that because there are different conditions for the work or because the work is only similar, the actual performance of the work will be different and the comparison will not be quite as accurate as with a primary comparison.

- V. Common Sense Analysis - With this technique, the analyst asks the question of whether the price of the product or service being proposed should approximate what the offer is asking. This should be the last step. By the time the contracting agency is at this point in the analysis, the analyst will have developed enough of a feel for the product or service that the analyst should be able to readily tell whether the asking price is reasonable or not. This technique applies to prices that are too low as well as to those that are too high.
- W. Value Analysis - A method which, when applied to price, provides an opinion as to the value of the product. It is an evaluation of the function and value of a product or service and its related price to determine its worth. To apply value analysis, the analyst needs to seek answers to the following questions:
- 1) What does the product do or what service is furnished?
  - 2) What does it cost now and what will it cost to continue?
  - 3) Are there other ways to achieve the same results?
  - 4) What will these other ways cost?
- Essentially, value analysis determines if the goods or services as constituted offers the best deal for the Contracting Agency in terms of value.
- X. Needs Assessment - a written support document necessary to determine the justification of the procurement.
- Y. Evaluation of Resources - a documented, written determination which shows that the resources are available to support the procurement.



Exhibit C

**CONFLICT OF  
INTEREST**

The NEMO Workforce Investment Board dba the NEMO Workforce Development Board and its subcontractor's shall maintain a written code of standards of conduct governing the performance of persons engaged in the award and administration of contracts and sub-grants. To the extent permitted by State or Local law or regulation, such standards of conduct will provide for penalties, sanctions or other disciplinary actions for violations of such standards by the awarding agency's officers, employees or agents, or by contractors or their agents.

A. Each agency and its sub-recipients shall ensure that no individual in a decision making capacity, including WDB members (whether compensated or not), shall engage in any activity, including participation in the selection, award or administration of a sub-grant or contract supported by WIOA funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

1. The individual;
2. Any member of the individual's immediate family;
3. The individual's partner, or
4. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm or organization selected for award.

B. The officers, employees or agents of the agency making the award will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to sub-agreements.

C. WDB Conflict of Interest:

Each duly appointed member of the Board shall have one vote on all matters before the Board. Proxy voting shall not be permitted. Local Board members, as volunteer citizens and community leaders, must uphold the highest levels of accountability. To ensure that responsible stewardship for and oversight of the workforce programs are accomplished in a way that demonstrates integrity, accountability, and transparency and in order to preserve the public trust. A Board member may not:

- Vote on a matter under consideration by the local board—
  1. regarding the provision of services by such member (or by an entity that such member represents; or
  2. that would provide direct financial benefit to such member or the immediate family of such member; or
- Engage in any other activity determined by the Governor to constitute a conflict of interest as specified in the State Plan.

If the CLEO Consortium, the local WDB, or the local Youth Council discuss an issue that would impact a member due to their business interests or personal relationships, that member should refrain from participating in the discussion and from voting on the issue. This voting abstention should be recorded in the meeting's minutes.

This policy is also extended to cover WDB staff and any local WDB contractors and their staff. They should not participate in any decision-making capacity, which would provide a direct financial benefit to that staff person or to a member of his/her immediate family. (Immediate family includes parent, children, sibling, grandparent, aunt, uncle, niece, nephew, cousin, as well as step-family and in-laws.)

## **CODE OF CONDUCT**

The following shall apply to all staff members of the Administrative Entity, Sub-state Grantee, Sub-recipient and Subcontractor engaged in the award and administration of contracts and sub-grants.

No employee shall:

1. Accept any direct or indirect financial benefit from any source other than their paid position as a result of the performance of their official duties.
2. Accept any position, whether compensated or not, which will impair the independence of judgement in the exercise of their official duties.
3. Accept any position or engage in any business that will require the disclosure of confidential information gained by reason of their official duties.
4. Improperly disclose confidential information acquired during the performance of their official duties or use such information to further personal gain.
5. Use or attempt to use their official position to secure unwarranted privileges or exemptions personally or on behalf of others or give the appearance of such action.
6. By conduct, give reasonable basis for the impression that any person or organization can improperly influence the performance of their office duties.
7. Pursue a course of conduct that will raise suspicion among citizens that the acts engaged in are in violation of public trust.
8. Pursue any other course of conduct that will give rise to a violation of the conflict of interest statutes.
9. Take part in any political activities in violation of the Federal Hatch Act.
10. Take part in any religious or anti-religious activity in the discharge of their official responsibilities
11. Promote or oppose unionization in the discharge of their official duties.
12. Participate in any effort to violate any other applicable Federal, State and Local laws and regulations.

Violations of any provision of this code of conduct may be cause for immediate dismissal and are subject to any penalties, sanctions or other disciplinary measures set forth in applicable Federal, State or Local laws. Compliance with 2 CFR Part 200.113 is required. Disclosure, in a timely manner, in writing to the State all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award is required. Failure to make required disclosures can result in any of the remedies described in 2 CFR Part 200.338 Remedies for noncompliance, including suspension or debarment. (See also 2 CFR Part 180 and 31 U.S.C. 3321).

**NORTHEAST WORKFORCE DEVELOPMENT BOARD  
PROCUREMENT FORM**

Purchase Requisition Form # \_\_\_\_\_

This procurement is for the following Title(s): (check all that apply)

- Adult                       Youth                       Dislocated Worker                       Other

<b>SECTION A</b>	
<b>REQUEST FOR PURCHASE (\$3,000 OR MORE) EQUIPMENT (\$1,000 or more)</b>	
Requestor Name:	
Office Location:	
Item Description:	
Cost of Item:	
Is this equipment replacing outdated, non-working, or worn out equipment?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
If yes, please explain	
Is this equipment necessary due to new industry requirements or technology?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
If yes, please explain	
Requestor Signature and Date	
WDB Signature and Date	

<b>SECTION B</b>	
<b>NEEDS ASSESSMENT (\$3,000 or more) (\$1,000 or more Equipment)</b>	
Requestor should describe the need and justification of your purchase request. Please complete your justification of the purchase below or attach a memo describing the need and justification of the purchase.	
<b>NEED/JUSTIFICATION:</b>	
Requested By:	Date:

**SECTION C**

**INDEPENDENT COST ESTIMATE (\$3,000 or more) (Equipment \$1,000 or more)**

An Independent Cost Estimate must be completed by the Requestor on all procurements and supporting documentation must be submitted prior to proceeding with any procurement.

Description of Item	Cost Estimate Source	Amount of Item
Prepared By:		

**SECTION D**

**EVALUATION OF RESOURCES**

**NEMO WDB Fiscal Officer or Executive Director** is required to evaluate the information provided, ensure resources are available to make the purchase and make a recommendation on the purchase.

Approved by:		Date:	

**SECTION E**

**REVIEW AND SELECTION OF PROCUREMENT OPTION**  
(check the appropriate procurement option)

<input type="checkbox"/>	Purchase Up to \$10,000.00	Bids not required – WDB approval required for purchases of \$3,000 or more
<input type="checkbox"/>	Purchase More Than \$10,000.00 but less than \$100,000	Minimum of 3 written bids required (attachment required)
<input type="checkbox"/>	Purchase \$100,000 or more	Minimum of 3 advertised competitive bids required (attachment & waiver request required)
<input type="checkbox"/>	Three Bids Unavailable	Waiver request required
<input type="checkbox"/>	Items exempt from competitive procurement	See procurement manual for exempt items
<input type="checkbox"/>	Noncompetitive Proposal (Sole-Source)	Waiver request required
<input type="checkbox"/>	Emergency Purchase	See procurement manual
<input type="checkbox"/>	Intergovernmental Cooperation	See procurement manual
<input type="checkbox"/>	Contract Extension	Written request and budget required

SECTION F			
PURCHASE REQUEST APPROVAL (Less than \$3,000)			
Approved <input type="checkbox"/>	Denied <input type="checkbox"/>	Date	
WDB Authorized Signature:			

SECTION G			
PROCUREMENT PROCEDURE PROCESS CHECKLIST			
Second WDB Staff Member checks all paperwork and supporting documentation to ensure compliance to procurement guidelines			
Comments:			
Complete <input type="checkbox"/>	Incomplete <input type="checkbox"/>	Date	
Reviewed by:			

SECTION H			
PROCUREMENT APPROVAL			
	Signature	Title	Date
Approved by:		Executive Director	
FOR PURCHASES OVER \$25,000			
Approved by:		WDB Board Chairperson	
Approved by:		CLEO Chairperson	

SECTION I	
FOR OFFICE USE ONLY	
Check #	Date Paid
Invoice for Equipment Received?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Equipment Memorandum Form Received?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Equipment Added to Inventory Database?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Inventory Tag #	

**PROCUREMENT LOG  
For Receipt of IFB/RFP/RFQ**

For the Procurement of: \_\_\_\_\_

Bidder	Time Received	Date Received	Received By	Verified By

### EQUIPMENT MEMORANDUM FORM

- *This form must be submitted to the NEMO WDB before purchase, disposal or transfer of equipment. Once disposal is approved the NEMO WDB inventory tag number should be removed and returned to the WDB office. Disposal is the responsibility of the subcontractor. After disposal of equipment has been granted, equipment may not be returned to the NEMO WDB office.*
- *This form must be submitted at time of purchase along with a copy of the invoice or proof of purchase.*

Sub-Contractor: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

**REQUEST FOR:**

Purchase Transfer  Disposal

Asset ID	Description & Mfg	Unit Acquisition Cost	Source of Property Funding (Program funded from?)	Location of Equipment	Acquisition Date	Serial #	Current Use & Condition	Current Location	Transfer Location	Sub Tag if any	Fair Market Value	Method Use to Determine Fair Market Value	Disposition/Sale Price or Fair Market Value

\_\_\_\_\_  
Sub-Contractor Signature Date

**NOTE:** *Equipment containing confidential/sensitive information such as computers, copiers, fax machines etc. must have all information removed before being properly disposed. Your signature above indicates that all confidential/sensitive information has been properly removed from the equipment you are requesting for disposal.*

\_\_\_\_\_  
WDB Approval Signature and Date