

SOUTHWEST LOCAL WORKFORCE DEVELOPMENT BOARD

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Effective Date: June 19, 2018

Duration: June 30, 2020

Workforce Services Policy Property Guidelines Southwest LWDB - WIOA (17-3)

Subject:

WIOA Property Guidelines

Purpose:

The purpose of this memorandum is to establish a policy to inventory and track personal and/or real property purchases using Workforce Southwest Tennessee Workforce Development Board funding.

References: Section 194 (11) Workforce Innovation and Opportunity Act 2014; 20 CFR 200.33 Equipment, 200.48 General Purpose Equipment, 200.58 Information technology systems, 200.94 Supplies; 29 CFR Parts 95 and 97, TN WIOA 16-14 Property Management Executive Summary

Background:

Southwest Local Workforce Development Board is to ensure that property, equipment, and supplies purchased with WIOA funds are used in accordance with the intent of the law.

For purposes of this policy, property is defined to include equipment, supplies, real property, personal property, data, records, and proprietary information.

Policy:

Property (both personal and real), equipment, supplies, and proprietary information purchased, collected, or developed with SOUTHWEST LWDB WIOA funds is the property of the Southwest Tennessee Workforce Development Board and, as such, must be used for purposes authorized by the Workforce Innovation and Opportunity Act 2014 and the Southwest Tennessee Workforce Development Board.

Upon termination of services with the designated One-Stop Operator/Service Provider, an inventory will be completed jointly by the One-Stop Operator/Service Provider and SOUTHWEST LWDB staff no more than 30 days after the closing of the contract. Disposition of the property will be at the discretion of the Southwest Tennessee Workforce Development Board.

Action:

The Southwest Tennessee Workforce Development Board will utilize the attached policy regarding purchasing procedures of Southwest Human Resource Agency, designated as fiscal agent for the Board, regarding the purchase of property.

Written prior approval must be obtained from TDLWD for acquisition of sensitive items and nonexpendable property with a unit acquisition cost of \$5,000 or more. In addition, any agreements or activities related to costs associated with real property must receive written approval by TDWLD. Disregard of this policy may result in an immediate sanction to pay back the money to TDLWD using unrestricted funds.

Equipment

Equipment means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Information technology systems, computing devices, software, licensing or subscriptions to software and software support services are specified as equipment per Uniform Guidance. Monthly subscription fees under \$5,000 are also included should the total annual cost for the subscription exceed \$5,000.00 in which prior approval must be obtained.

General Purpose Equipment

This is equipment which is not limited to research, medical, scientific or other technical activities. Examples include: office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air-conditioning equipment, reproduction and printing equipment, and motor vehicles (Uniform Guidance Section 200.48)

Information Technology Systems

Computing devices, ancillary equipment, software, firmware, similar procedures, services (including support services), licensing or subscriptions to software and software support services, and related services are included as information technology systems. (Uniform Guidance Section 200.58)

Property Accountability

The following denotes the types of property for which accountability must be maintained:

1. Tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Examples include furniture, machinery, office, operational and educational equipment, etc.
2. Sensitive equipment having a unit cost of \$100 to \$5,000. Examples include typewriters, tape recorders, printers, computers, cameras.
3. Personal computers will be tagged as a unit consisting of monitor, keyboard, external tape cartridge and the computer itself. The printer will be tagged separately.

All LWDA procurements of sensitive equipment or procurements having a unit acquisition cost of \$5,000 or more must have prior written approval from TDLWD. The Governor, on behalf of the US Department of Labor (USDOL), reserves the right to claim title to all property purchased with WIOA, WIA, JTPA or CETA funds with a current per-unit fair market value in excess of \$5,000. ***Property Accountability 114S-60.401***

Classification Criteria

Equipment Property Management Procedures

Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, information as to who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property. These records must also include the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

1. When property with a current per-unit value in excess of \$5,000 has been stolen or destroyed by fire (or another disaster), is considered obsolete, or is to be traded for new equipment, the West Tennessee Workforce Development Board Property Manager will notify the State of the circumstances and request approval to remove the affected property from the inventory record.
2. A Police Report must be completed and submitted along with the Survey Report to the State should a property item be stolen. If the stolen property has a current per-unit value of \$5,000 or more, the Federal Bureau of Investigation must be notified and a copy of the report must accompany the Report of the Survey.
3. Should any property be destroyed by fire a copy of Fire Marshall's Report must accompany the Report of the Survey.

Once determination is made by the LWDB that a property item is non-serviceable due to obsolescence, a request must be submitted through Asset Works (TN State System) to destroy the equipment at which time the State procurement office re-evaluates the condition of the equipment. TDLWD will review the request and approve it with instructions to forward to the requesting LWDA before the State Procurement Office re-evaluates the condition of the equipment.

4. SOUTHWEST LWDB will tag all property with the appropriate tag; inventory records will indicate the program (contract number) from which the property was purchased. Tags will be requested by SOUTHWEST LWDB Property Manager from TDLWD. Once tags are received from TDLWD, equipment will be tagged and added to LWDB inventory records which contains the following information:

- a. Tag number
- b. Program funding acquisition
- c. Percentage federally funded (if not 100%)
- d. Date of purchase or acquisition
- e. Condition of the property (Cost or Fair-Market Value)
- f. Location
- g. Serial number of other identifying number

New equipment acquired will be reported to TDLWD on the Property Record form as soon as possible after property is tagged.

Purchase Considerations

DOL Uniform Guidance will serve as the foundation for all grant financial management. For this reason, Southwest LWDB will rely on this guidance to avoid the possibility of audit findings and potential liability. The following items should be utilized as guidance when considering the purchase of new equipment:

- Is the purchase reasonable?
- Why is the purchase needed?
- Have the best products been selected?
- What procurement method was used?
- Was a lease option considered in lieu of purchase?
- Does the State already provide the item, service, or software being considered for rent, purchase, or subscription?
- Can the purchaser show that the purchase and item is allowable under the applicable federal award?

Leasing Considerations

The decision to lease or buy personal property shall be governed by considerations of economy. Consideration for leasing may differ by property type and according to market conditions. The length of the contract period of the lease should also be considered. Leasing with an option to purchase is generally preferable to straight leasing. However, for real property, administrative requirements make leasing the only option since the construction of purchase of real property is not allowed under the WIOA program except in limited circumstances which are outlined in the following section.

Capital Assets and Construction Costs

WIOA Title I funds may not be spent on the construction, or may not be used to purchase facilities or buildings, or used for other capital expenditures for improvement to land or buildings. (20 CFR 667.260) except with prior written approval by the DOL Secretary. The exceptions to that rule in which WIOA Title I funds can be used for construction include the following:

- Meeting obligations to provide physical and programmatic accessibility and certain repairs, renovations, alterations, and capital improvements to the property.
- For disaster relief projects.
- For Youth Build programs under WIOA Section 171(c)(2)(A)(i).
- For any other projects the DOL Secretary determines are necessary to carry out WIOA.
- Section 189(b) and (Title 20 CFR Section 683.235).

Limitation

Cost allocable to another Federal grant, WIOA programs, or cost categories may not be shifted to a WIOA grant, sub grant, program or cost categories to overcome fund deficiencies, avoid restrictions imposed by law or grant agreements, or for other reasons (2 CFR200.405(c)).

Real Property

The Uniform Guidance provides fiscal and administrative guidance for the administration of the WIOA program including requirements for purchasing property. The Uniform Guidance does not permit WIOA program funds to be used to purchase land, or for improvements to land, or the structures, or to accessories thereto and excludes the purchase of movable machinery and equipment (2 CFR 200.85).

Rental Costs

Subject to the limitations described below, rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased. Rental costs under sale and leaseback arrangements are allowable only up to the amount that would be allowed had the governmental unit continued to own the property. Rental costs under less-than-arms-length leases are allowable only up to the amount that would be allowed had title to the property vested in the governmental unit. For this purpose, less-than-arms-length leases include, but are not limited to, those where:

- 1) One party to the lease is able to control or substantially influence the actions of the other;
- 2) Both parties are parts of the same governmental unit; or
- 3) The governmental unit creates an authority or similar entity to acquire and lease the facilities to the governmental unit and other parties.

Rental costs under leases, which are required to be treated as capital leases under GAAP, are allowable only up to the amount that would be allowed had the governmental unit purchased the property on the date the lease agreement was executed. This amount would include expenses such as depreciation (please note depreciation is also addressed in the Supplementary Financial Guide), maintenance, and insurance. The provisions of GAAP shall be used to determine whether a lease is a capital lease. Interest costs related to capital leases are allowable to the extent they meet the criteria in 2 CFR 200.449.

Maintenance, Operations, and Repairs

Unless prohibited by law, the cost of utilities, insurance, security, janitorial services, elevator service, upkeep of grounds, necessary maintenance, normal repairs and alterations, and the like are allowable to the extent they:

- 1) Keep property (including Federal property, unless otherwise provided for) in an efficient operating condition,
- 2) Do not add to the permanent value of property or appreciably prolong its intended life, and
- 3) Are not otherwise included in rental or other charges for space. Costs which add to the permanent value of property or appreciably prolong its intended life shall be treated as capital expenditures. (See 2 CFR 200.452, Maintenance and Repair Costs, for additional details and requirements.)

Costs Allowable With State Office

For approval of those selected items of costs, requiring prior approval, the authority to grant or deny approval is delegated to the Governor for programs funded under Sections 127 or 132 of the Act.

Rearrangements and Reconversion Costs (2 CFR 200.462)

Costs incurred for ordinary and normal rearrangement and alteration of facilities are allowable. Special arrangements and alterations costs incurred specifically for a Federal award are allowable with the prior approval of the Federal awarding agency. Costs incurred for rearrangement and alteration of facilities required specifically for the grant program may be approved by the State or the pass through entity.

Debarred and Suspended Parties

In accordance with WIOA regulations at Final Regulation 20 Section 683.200, Southwest LWDB will not make any award or permit (sub grants or contracts) to any party debarred, otherwise suspended, or otherwise excluded from eligible for participation in Federal assistance programs in accordance with Department of Labor Regulation at 29 CFR Part 98. Recipients and sub-recipients shall comply with the applicable requirements of the DOL Regulations at 29 CFR parts 98.

State of Tennessee General Services Real Property and Equipment Standards

In addition to adhering to the federal standards set forth in this policy, Southwest LWDB and sub-recipients will also adhere to all property requirements set forth by the State of Tennessee General Services requirements. In the event a conflict arises between State of Tennessee General Service requirements and Federal regulations, please note that Federal regulations will take supremacy over State requirements if the property is utilized to carry out activities associated with a Federal award or purchased with monies from a Federal award.


Contact:

Questions regarding this policy should be addressed to Jimmy Bell, SOUTHWEST LWDB Director, at SWHRA, 1527 White Avenue, P.O. Box 264, Henderson, TN 38340. Phone: (731) 983-3688. Email: jbell@swhra.org.

Attachments:

Attachment I - SWHRA Purchasing Procedures

Attachment II - Request for Equipment



Craig S. Butler, Board Chairman

Attachment I

SWHRA Purchasing Procedures

PURCHASING PROCEDURES
of the
SOUTHWEST HUMAN RESOURCE AGENCY

Presented herein are proposed rules of the Southwest Human Resource Agency submitted pursuant to Tennessee Code Annotated, Section 13-26-108. These procedures provide standards for use by the Southwest Human Resource Agency, hereinafter referred to as SWHRA, for all grant programs unless otherwise stated in individual grant contracts or applicable laws or administrative directives. Unless otherwise noted herein, the Executive Director shall be responsible for the administration of these procedures.

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CHAPTER 1

PURCHASE OF MATERIALS, SUPPLIES AND EQUIPMENT

A. AUTHORITY AND SCOPE

- 1) **AUTHORITY.** The Southwest Human Resource Agency was established pursuant to Tennessee Code Annotated: "Human Resource Agency Act of 1973." (Acts 1973, ch. 289, para. 1; T.C.A. para. 13-2101).
- 2) **GOVERNING BOARD.** The membership of the SWHRA Governing Board is comprised of the chief elected officials of the various towns, cities, and counties in the Southwest Development District and their designated representatives.
- 3) **SCOPE.** The SWHRA is empowered, in order to carry out its overall responsibility for administering a Human Resource Program, to own and dispose of property both real and personal and to receive and administer funds and contributions from private or local public sources which may be used in support of a Human Resource Program, and funds under any Federal or state assistance program pursuant to which the SWHRA could serve as grantee, contractor, or sponsor of projects appropriate for inclusion in a Human Resource Program.

B. STANDARD OF CONDUCT

- 1) **PERSONAL INTEREST OF OFFICERS.** No officer, committeeman, director or other person whose duty it is to vote for, let out, overlook, or in any manner superintend, any work or any contract in which the SWHRA is or may be interested, shall benefit directly or indirectly in any such contract.
- 2) **BIDDING BY SWHRA EMPLOYEES.** No SWHRA official or employee shall bid on, or sell, or offer for sale, any merchandise, equipment or material, or similar commodity, to the SWHRA during the tenure of his office or employment, or for six (6) months thereafter, or to have any interest in the selling of the same to the SWHRA.
- 3) **ACCEPTANCE OF GIFTS FROM CONTRACTORS.** No SWHRA official or employee charged with the responsibility of initiating requisitions, shall accept or receive, directly or indirectly, from any person, firm or corporation to whom any contract for or the purchase of materials, supplies, or equipment for the SWHRA may be awarded, by rebate, gifts, or otherwise, any money or anything of value whatsoever, or any promise, obligation, or contract for future rewards or compensation.

C. TECHNIQUES OF PURCHASING

- 1) **INFORMAL QUOTATIONS NOT EXCEEDING \$2,000.** Informal written or telephone quotations may be requested in lieu of sealed bid for purchases not exceeding \$2,000. All quotation requests will specify a closing time and date. Written bids are opened, examined and recorded at the closing time and date; telephone quotations are requested and recorded on the closing date. The SWHRA purchase order is issued to the successful vendor.

- 2) SEALED BIDS OF MORE THAN \$2,000. Invitations to Bid shall be mailed and/or formally advertised on all purchases of more than \$2,000, except in emergency situations, to qualified vendors within the geographic service area. Selection criteria for mailing invitations to bid shall include, but is not limited to, past vendor performance and geographic location of the vendor. All sealed bids shall be publically opened, examined and recorded at the time stated on the Invitation to Bid. Successful vendor(s) shall be mailed a SWHRA purchase order.
- 3) TERM CONTRACTS. The SWHRA may establish a term contract for specific products or services for use by individual programs. The sealed bid procedure is generally used; however, the informal procedure may be used if total purchases are estimated to be \$2,000 or less. After evaluation and award, a SWHRA purchase order shall be issued to the successful vendor(s). Receipt of the purchase order does not authorize shipment. Shipment is authorized by, and made after, receipt of a departmental requisition.
- 4) PRODUCTS PRODUCED BY STATE AGENCIES. SWHRA is required to purchase items and services from Tennessee State Industries when such items have been certified in accordance with TCA Section 41-22-119 and from Services for the Blind when such items meet Federal standards in accordance with TCA Section 14-14-104.
- 5) EMERGENCY PURCHASES. In emergency circumstances, items may be purchased through emergency procedures. Whenever practical such purchases are made from competitive bids secured by mail or telephone.
- 6) SINGLE-SOURCE PURCHASES. Single-source purchases are made only when an item is unique and possesses specific characteristics that can be filled by only one source. In making this determination, the following factors are considered:
 - a. Whether the vendor possesses exclusive and/or predominant capabilities or the item contains a patented feature providing a superior utility not obtainable from similar products.
 - b. Whether the product or service is unique and easily established as one of a kind.
 - c. Whether or not the program requirements can be modified so that competitive products or services may be used.
 - d. Whether the product is available from only one source and not merchandised through wholesalers, jobbers, or retailers.
 - e. Whether items must be interchangeable or compatible with in-place items.
 - f. DBE vendors are solicited and used whenever feasible.

After review of the written justifications from the requisitioning department and ascertaining that the item to be purchased meets one or several of the above criteria, the single source purchase may be made without following competitive bid procedures. A written quote is obtained from the single-source supplier and a purchase order issued without resorting to competitive bidding.

D. BIDDING POLICY

- 1) QUALIFICATION OF VENDORS. All vendors providing supplies, equipment or services to the SWHRA shall be reputable firms having the demonstrated capacity to produce or provide supplies, equipment and/or services and other items within a reasonable period of time or within the time limits established by the SWHRA. Vendors shall be subject to disqualification if they are found to misrepresent quality, quantity or price of supplies, equipment, services or other items delivered. Vendors will also be disqualified if reasonable time limits established by the SWHRA are exceeded.
- 2) INFORMAL WRITTEN OR TELEPHONE QUOTATIONS. Unsealed bids or telephone quotations may be requested in lieu of sealed bids on purchases not exceeding \$2,000. A minimum of three (3) competitive bids is required, whenever possible. The bids or a record of the quotation are filed as a part of the transaction file. Written confirmation of bids shall be requested from successful vendors on purchases exceeding \$300.
- 3) SEALED BIDS. Sealed bids shall be requested for purchases of more than \$2,000, except in justified emergency situations or single-source purchases. The Executive Director may, however, request sealed bids for purchases of less than \$2,000. Invitations to Bid may be mailed, and/or formally advertised in newspapers of general circulation in the region. When the mailed request method is used, the following shows the total number of Invitations to Bid required to be sent to prospective vendors on all formal (sealed bid) purchases, whenever possible:
 - (1) \$300 to \$500 - Three (3) Invitations
 - (2) \$500 and above - One (1) Invitation per \$200, Fifteen (15) Invitations maximum requirement.

Utilizing either method, the Invitations to Bid shall indicate that bids are to be received by the SWHRA on or before a specified date and/or hour. Special envelopes are furnished with the bid invitations and it is imperative that bids be returned in these envelopes whenever possible. If return in the special envelope is not possible, each individual bid proposal must be returned in a separate envelope or package, sealed and identified as follows:

FROM _____

REQ. NO. _____
 OPENING DATE _____
 OPENING TIME _____

SWHRA
 P.O. Box 264
 Henderson, TN 38340-0264

- 4) TELEGRAPH BIDS. Telegraph bids received before the date and hour designated for bid opening will be accepted.
- 5) VISITS, SALESPERSONS, ETC. Visits by salespersons to the SWHRA are welcome and encouraged. It is recognized that valuable, specialized and current information can be imparted to the staff through these interviews. Salespersons are requested to schedule their visits by telephoning for appointments in order to more productively utilize the time of both buyers and salespersons.
- 6) CANCELLATION OF INVITATION TO BID. SWHRA may cancel an Invitation to Bid any time prior to award.
- 7) COMBINING INVITATION TO BID. Bids responding to separate Invitations to Bid cannot be combined in a one bid quotation or submitted in the same envelope.
- 8) POSTAGE. All bids should be weighed and the postage verified before mailing. When postage due mail is delivered, the SWHRA cannot assume the responsibility for paying the amount due and will refuse the mail.
- 9) LATE BID. Bids must be received in the SWHRA's office on or before the date and hour designated for the bid opening or the bid will be rejected and placed in the file unopened.
- 10) CERTIFICATE OF AVAILABILITY. Bidders may be required by the Invitation to Bid to certify that any product bid is a current production model and that parts and service will be available for a minimum period of time. Manufacturers' agents or dealers may be required to secure and furnish such certification from the manufacturer.
- 11) BID BOND. A bid bond may be required with the Invitation to Bid. When required, the amount will be stated and the bond must accompany bids. Bid bonds submitted by unsuccessful vendors will be returned upon award of contract. Personal checks are not acceptable in the place of bid bonds; however, bank cashiers check will be accepted.
- 12) PERFORMANCE BOND. A performance bond may be required by the Invitation to Bid. When required, the amount will be stated. Performance bonds must be filed with the SWHRA within ten (10) working days after receipt of request. Personal checks are not acceptable in the place of performance bonds; however, bank cashiers check will be accepted.

- 13) SPECIFICATIONS, KIND. The SWHRA uses different kinds of specifications to bid and/or purchase commodities under different purchasing techniques. These specifications normally fall into one or more of the following areas:
- a. Specifications based on Brand Name - Reference to brand names, trade names, model numbers or other descriptions peculiar to specific brand products is made to establish a required level of quality and functional capabilities; it is not intended to exclude other products of that level. Comparable products of other manufacturers will be considered if proof of comparability is contained in the bid. It shall be the responsibility of the vendors, including vendors whose product is referenced, to furnish with the bid such specifications, catalog pages, brochures or other data as will provide an adequate basis for determining the quality and functional capabilities of the product offered. Failure to provide this data may be considered valid justification for rejection of a bid.
 - b. Specifications based on SWHRA Specifications - Items must equal or exceed the specifications listed. The absence of detail specifications or the omission of detail description shall be recognized as meaning that only the best commercial practices are to prevail and that only first quality materials and workmanship are to prevail and that only first quality materials and workmanship are to be used. All interpretations of specifications shall be made from this statement. It is understood that the specifications or references to available specifications shall be sufficient to make the terms of such specifications binding on the vendor. Vendors must submit for bid evaluation applicable cuts, sketches, descriptive literature and technical specifications covering the product offered. Reference to literature submitted with one bid will not satisfy the requirements of subsequent bids.
 - c. Specifications based on Qualified Products List - Specifications may include a list of brands and model numbers that are believed to meet the requirements. Vendors may submit bids on other comparable brands. Samples and detail specifications for other brands must be submitted prior to the bid opening date. When time permits, these products will be examined and tested prior to the award and those products that are acceptable will be considered in the evaluation process. If time does not permit, the products may be submitted for examination and testing for future purchases. Costs for testing such products, if any, must be paid to the SWHRA by the vendor prior to test being made.
 - d. Specifications based on Catalogs, Price Lists, or Price Schedules - Vendors are requested to quote a plus (+) or minus (-) percentage (%) offered as a discount or surcharge applying to the products listed in the catalog, price list or price schedule described within the Invitation to Bid. A single percentage for each catalog or price list is required. Vendors are required to submit with the bid copies of the catalog price list or price schedule on which their bid is based.

- 14) STANDARD MERCHANDISE AND PROCEDURES. The SWHRA shall use open specifications and procedures that conform to accepted trade practices. Vendors are required to notify the SWHRA whenever specifications are not open and/or procedures are not desirable. All suggestions or objections shall be made in writing and received by the SWHRA at least three (3) working days prior to the bid opening.

E. BIDDING GUIDELINES FOR VENDORS

- 1) INVITATION TO BID. Invitations to Bid are mailed to the prospective vendors or may be obtained by a prospective vendor at the SWHRA office. When a sealed bid is opened, examined and recorded, the original copy is placed in a working file for evaluation by the buyer.
- 2) VENDOR ADDRESS. Any Purchase Order issued as a result of a vendor bid will be sent to the firm name appearing on the bid form. If orders or payments are to be mailed to an address other than that shown on the face of the bid form, the vendor must so indicate and list the post office box or street number, city, state and zip code for the address(es).
- 3) SIGNATURE ON BID. The person signing the bid must be a person authorized to bind the vendor to contract. A bid not signed by such a person will be considered non-responsive and will be rejected. Unsigned bids cannot be signed after the bid has been opened, even if the vendor or his representative is present at bid opening.
- 4) TERMS AND CONDITIONS.
 - a. The terms and conditions for all Invitations to Bid shall include these rules by reference unless otherwise specified. Vendor is charged with notice of these rules and all terms of the invitation.
 - b. Any special terms and conditions proposed by the bidder that vary from the terms and conditions of the Invitation to Bid must be noted conspicuously on the face of the Invitation to Bid and must receive an affirmative and explicit indication of acceptance from the Executive Director or his agent.

Any special terms and conditions which vary from the terms and conditions of the Invitation to Bid may render the bid unresponsive and subject the bid to rejection.
- 5) PRICING. Invitations to Bid shall request a net price for the unit specified for each item FOB destination. The net price is list price less all trade or other discounts offered, not including cash discounts for prompt payment. Unit price, extensions and gross total must be shown on the bid or quotation forms. Cost plus or discount from list quotations may be requested for the supply of certain types of commodities. Instructions concerning this method of pricing will be included in the Invitation to Bid. Insertion of price escalator clauses, minimum order requirements, delivery costs, and other items, not included in the terms and conditions of the Invitation to Bid may render the bid non-responsive.

- 6) **ERRORS.** Erasures or use of correction fluid on bid forms are not acceptable. Prior to submission, errors may be corrected by lining out and entering the substituted words or figures with the change initialed by the person signing the bid. No bid shall be altered or amended after the bid opening. In the case of errors in the extension prices, the unit price will govern.
- 7) **DISCOUNT.** Invitations to Bid normally request net prices. If cash discount is offered, it must be shown in the space provided. Discount for prompt payment periods of less than thirty (30) days will not be considered in the award process. All discounts offered for prompt payment will be taken if earned. Time will be computed either from the date of delivery at destination or from the date a correct invoice is received, whichever is later.
- 8) **TAXES.** Prices quoted shall not contain provisions for Federal Excise Taxes or State Sales Tax. The SWHRA is exempt from such taxes.
- 9) **TIME OF PERFORMANCE.** The number of calendar days required for delivery after receipt of order must be shown by the vendor unless already specified by the SWHRA in the space provided on the Invitation to Bid.
- 10) **SPECIFICATIONS.** Reference, in the Invitation to Bid, to available specifications shall be sufficient to make the specifications binding on the contractor. Unless a vendor specifies otherwise in his bid, it is assumed that the vendor is bidding in accordance with the specifications in the Invitation to Bid. When merchandise is received that does not meet specifications, it will be returned to the vendor, shipping charges collect.
- 11) **ALTERNATE BIDS AND SPECIFICATIONS.** Alternate bids are encouraged. When alternate bids reveal more economical services, supplies or materials than those specified, the SWHRA reserves the right to award to the "alternate" or "readvertise" with modified specifications. Alternate bids cannot be considered, however, unless detailed specifications accompany the bid. If vendor cannot include alternate or supplemental bids in the bid package supplied with the Invitation to Bid, vendor may submit them on a separate page, using the same format as the original. Also, each separate page must be cross referenced to the Invitation number and applicable item, and must be identified by vendor's signature.
- 12) **AMENDMENT OR WITHDRAWAL OF BIDS.** Amending or withdrawal of bids may be permitted under the following circumstances:
 - a. Prior to bid opening, vendors not able to appear in person who wish to withdraw or amend a bid may do so by submitting either a letter or telegram containing such request to the SWHRA. Should a request for withdrawal occur, bid register personnel will attach the dated and time stamped request to the bid, which will remain unopened as a part of the permanent file.

- b. After bid opening, a vendor will be permitted to withdraw his bid at the sole discretion of the SWHRA where there is an obvious error in the bid supported by cost data, or where enforcement of the bid would impose an unconscionable hardship due to an error in the bid resulting in a quotation substantially below the other bids received. Such withdrawal will be considered only after receipt of a written request from the vendor. No change in bid prices or other provision of bids shall be made.

- 13) CORRESPONDENCE CONCERNING BID INVITATIONS. Any question concerning the Invitation to Bid should be directed to the buyer whose name and phone number is listed on the Invitation to Bid. The person corresponding should specify the requisition number, the bid opening date and time that appears in the bid invitation. For example:

Requisition No. 123
Opening Date - July 4, 1985
Opening Time - 10:00 a.m.

After award, bid files may be examined during normal working hours.

- 14) SAMPLES. Samples of items, when called for in the Invitation to Bid, must be furnished free of expense, and if not destroyed in testing will, upon request, be returned at the vendor's expense. Requests for the return of samples must be made, in writing, within ten (10) days following opening of bids. After ten (10) days, the SWHRA assumes no liability for samples and will dispose of or utilize said samples at the discretion of the SWHRA. Each individual sample must be labeled with vendor's name, manufacturer's brand name and number, requisition number and item reference. Samples submitted by the successful vendor will be held for comparison with merchandise furnished, and will not be returned.
- 15) PRODUCT TESTING AND DEMONSTRATION. Manufacturers often offer use demonstrations of their products. In order to insure proper testing and valid evaluation of test results, vendors are required to obtain prior approval for such tests/demonstrations from the SWHRA.
- 16) TRADE-INS. The SWHRA may request bids for new equipment employing trade-in of used equipment. In such cases, a trade-in price quotation will be requested for trade-in purchases and a separate price quotation without trade-in for the requested equipment. The SWHRA reserves the right to purchase equipment either with or without the trade-in.
- 17) CONTROVERSIES. Resolving controversies concerning protests of qualification of bidders, suspension from bidding, and Invitation to Bid, and stay of award prior to actual award shall be resolved in the manner provided herein. Vendors who disagree in any of the aforementioned areas may document their position in writing and request re-evaluation by the buyer concerned. If the re-evaluation by the buyer does not resolve the disagreement, the vendor may request evaluation of the record, including the written protest documentation, through a hearing of the Executive Director. The

evaluation by the Director constitutes the final determination of the SWHRA; however, the vendor may request in writing, an appeal to the SWHRA Policy Council.

F. AWARD POLICY

- 1) WAIVER. The SWHRA reserves the right to waive any Term and Condition, Special Provision or minor specification deviation when considered to be in the best interest of the SWHRA.
- 2) REJECTION OF BIDS. The SWHRA may reject any or all bids. Action to reject all bids shall be taken only for unreasonably high prices, errors in the invitation to bid, cessation of need, unavailability of funds, or any other reason approved by the Executive Director. The Executive Director may authorize rejection for failure to secure adequate competition.
- 3) ACCEPTANCE PERIOD. A bid shall be considered an offer capable of acceptance by the SWHRA. If a vendor fails to state the time within which a bid may be accepted, the SWHRA shall have sixty (60) days to accept.
- 4) BIDDER QUALIFICATION. The SWHRA may inspect the facilities of any vendor or may require additional information regarding vendor's ability to perform the proposed Contract. Bids may be rejected for lack of apparent ability to perform the proposed Contract. Vendors must, upon request of the SWHRA, furnish satisfactory evidence of their ability to furnish products or services in accordance with the terms, conditions, and specifications. If ability is not clearly apparent, vendor may be required to furnish a performance bond in an amount specified by the SWHRA. Such bond to be furnished within ten (10) working days after request.
- 5) AWARD.
 - a. Award shall be to the responsible and responsive vendor submitting the best bid, considering the factors stated in the Invitation to Bid. Such factors may include, but are not limited to, the following:
 - (i) Apparent Ability to Perform
 - (ii) Price
 - (iii) Quality
 - (iv) Purpose or Use
 - (v) Discount for Prompt Payment
 - (vi) Freight
 - (vii) Delivery Date

- b. Where more than one item is specified in the Invitation to Bid, the SWHRA reserves the right to determine the low vendor(s) either on the basis of each individual item, a group of items or total of all items, unless otherwise provided in the Invitation to Bid or otherwise specified by the vendor. Where the Invitation to Bid provides for award(s) by item or groups of items, separate awards will not be made unless one or more of the following criteria are met:
 1. Individual purchase orders exceed \$500 and produce a savings to the SWHRA in excess of \$50.
 2. Individual purchase orders are in excess of \$1,000.
- 6) TIE BIDS. A tie bid exists where two or more vendors offer products that meet all specifications, terms and conditions at identical prices, including cash discount offered for prompt payment. In such case, a tie bid will be broken by the following methods, in descending order of preference:
- a. In-State business will be given preference.
 - b. Small business will be given preference.
 - c. Award item(s) to vendor who was low vendor on other item(s) being bid per the same requisition.
 - d. Best delivery will be given preference.
 - e. By lot or coin toss.
- 7) CONTRACTUAL AGREEMENT
- a. The delivery of a SWHRA Purchase Order or a notice of contract award (for term contracts) with the valid signature of the Executive Director constitutes acceptance of the offer to sell and consumates the binding contractual agreement.
 - b. Only the Board Chairman and/or the Executive Director are authorized to bind the SWHRA in contractual agreements. Contracts signed by other personnel are null and void and do not obligate the SWHRA to payment for goods and/or services.
 - c. The SWHRA does not sign standard contract forms which may be used by vendors. The bid, with the vendor's signature affixed thereto, shall constitute an offer to sell to the SWHRA under the terms and conditions contained therein.
- 8) AWARD PROTEST. The SWHRA Policy Council has jurisdiction in all such matters involving monetary awards.

- 9) PRICE INCREASES/DECREASES. Price increases cannot be made in one-time open market purchases for delivery within a specified time period. Invitations to Bid on term contracts may contain a clause describing the conditions under which a price increase might be granted. In such cases as the terms of the contract allow, all requests for price increases must be in writing to the SWHRA and must contain data establishing or supporting the general or industry wide nature of the change. The SWHRA will accept or reject all such requests within thirty (30) working days of the date of receipt. Contractors must honor all purchase orders dated up to thirty (30) days subsequent to the price change request at the original price. Contractors shall report price decreases immediately upon receipt of the decreases and the SWHRA shall receive proportionate price reductions.
- 10) ASSIGNMENT OF CONTRACT. The contract shall not be assignable by the vendor in whole or in part without the written consent of the SWHRA, which consent shall not be denied without reasonable cause.
- 11) SALES COST. The cost to a vendor of sales effort or assistance to the SWHRA in recommending specifications will not be a factor in bid evaluation or contract award. Similarly, items that are bid in excess of specified quality requirements cannot receive preferential recognition.
- 12) FOREIGN MADE GOODS. To be considered, foreign made goods must meet specifications and must be in stock in the continental United States and available for immediate shipment at the time bids are submitted. If foreign made machines or mechanical equipment are offered, such offer must be supported by evidence acceptable to the SWHRA that adequate service locations, service personnel and repair parts are available from stock in the continental United States.

G. VENDOR GUIDELINES

- 1) TENNESSEE LAW. All vendors must comply with the laws of Tennessee which require such person or entity to be authorized and/or licensed to do business in this State. Applicable statutes may exempt or exclude the successful vendor from requirements that it be authorized and/or licensed to do business in this State. Notwithstanding this fact, all matters and disputes arising or to arise under the contract and performance thereof shall be subject to the jurisdiction and process of the courts of the State of Tennessee, including any questions as to liability for taxes, licenses or fees levied by the State or its political subdivisions.
- 2) PURCHASE ORDER, AUTHORITY AND SHIPMENT. The successful vendor will receive a purchase order or notice of contract award from the SWHRA. The SWHRA Purchase Order number or Departmental Requisition number must be shown on all bills of lading, packing slips, back orders, invoices and other correspondence related to the purchase. The receipt of a purchase order for a one-time market purchase authorizes shipment. Shipment against term contracts is authorized by receipt of a SWHRA Departmental Requisition.

- 3) PURCHASE ORDER REQUIRED. A vendor who manufactures or delivers an order without a written Purchase Order or who delivers a product or service not specifically authorized by the Purchase Order does so at his own risk.
- 4) PURCHASE ORDER EXCEPTIONS. The SWHRA is not required to submit a Purchase Order for certain purchases as listed below unless purchased from term contracts. These purchases, however, may be governed by other law or regulation and may require approval by a state agency. Current approving requirements are noted.
 - a. Purchases of up to \$50 unless the item(s) is procured pursuant to a contract entered into by the SWHRA.
 - b. Telephone billings.
 - c. Newspaper, radio or television advertisements.
 - d. Freight charges not incurred in connection with the purchase of supplies and equipment.
 - e. Postage charged including the purchase of metered postage.
 - f. Charges on airline and gasoline credit cards.
 - g. Bonding fees or Notary Public fee.
 - h. Building permits.
 - i. Deed registration fees.
 - j. Court fees.
 - k. Utility billings and connection fees.
 - l. Tuition, fees and supplies for training of individuals.
 - m. Occasional charges for rooms for meetings and attendant expenses.
 - n. Expenses in connection with meetings such as coffee and doughnuts.
 - o. Rental of vehicles while on approved travel.
- 5) NEW EQUIPMENT. All supplies and equipment offered and furnished must be new unless the Invitation to Bid specifically permits offers of used items. Remanufactured or reconditioned items are not considered new.
- 6) USED EQUIPMENT. When Invitations to Bid authorize offers of used items, no used item is acceptable if serial numbers or any other manufacturer's identifying label or markings have been removed, obliterated or changed in any way.

- 7) **PACKAGING.** All packaging shall conform to the current standards acceptable to the trade and required by ICC regulations. A packing slip or invoice must accompany all shipments and must reference the purchase order number.
- 8) **BACK ORDERS.** If it is necessary to back order any item, the vendor should notify the consignee and advise the expected shipping or delivery date. If this date is not acceptable, the SWHRA may seek remedies for default.
- 9) **SUBSTITUTIONS.** Substitution is defined as shipment of an item that materially conforms to the specifications but is technically different from the item bid. Substitutions shall require the approval of the SWHRA prior to shipment. Any products delivered that do not meet specifications will be returned to the vendor at his expense. If there are no acceptable replacements for merchandise ordered, the SWHRA may seek remedies for default.
- 10) **LOSS OR DAMAGE IN TRANSIT.** Delivery by a contractor to a common carrier does not constitute delivery to the SWHRA. Any claim for loss or damage incurred during delivery shall be between the contractor and the carrier. The SWHRA shall note all damages on the freight bill and refuse the merchandise. The contractor shall make immediate replacement of the damaged merchandise or be subject to damages for breach of contract. If damage is to a small portion of a total shipment and the agency will not be inconvenienced because of the shortage, the vendor may be permitted by the SWHRA to deduct the amount of damage or loss from his invoice, in lieu of replacement.
- 11) **FREIGHT.** F.O.B. points are established for each individual F.O.B. shipping point. In the case of the latter, the contractor shall repay the freight charges and add the amount to the invoice. A copy of the freight bill must be attached to all invoices that include freight charges.
- 12) **DELIVERY TIME.** The number of calendar days required for delivery after receipt of order shall be stated in the invitation or the bid, and when no time is stated in either document, the time shall be two weeks. Shipments must be made within this period, in default of which the SWHRA may seek remedies.
- 13) **RECEIPT AND PAYMENT BY SWHRA.** Shipments will be checked against the receiving copy of the purchase order. Quantities, descriptions, and units on all shipping documents must match the Purchase Order. Any difference in quantity or type of goods will be noted on the purchase order and on all copies held by the delivery person, including the shipping list retained by SWHRA. Any discrepancies from the original order must be noted by the person receiving the goods. Verification receipt of correct goods and quantities will be documented by SWHRA personnel signing and dating the receiving copy of the purchase order and packing/shipping list.

The verified purchase order and verified packing/shipping list will then be forwarded immediately to the SWHRA Fiscal Officer for payment. Payment will not be processed without written verification of receipt of goods. If the contract requires grading certificates, USDA Stamps or any other proof of quality, such proof must accompany the shipment.

- 14) **INSPECTION.** All materials, equipment and supplies are subject to inspection and test. Items that do not meet specifications will be rejected. Failure to reject upon receipt, however, does not relieve the contract of liability. When subsequent tests, after receipt, are conducted and when such tests reveal a failure to meet specifications, the SWHRA may seek damages regardless of whether a part or all of the merchandise has been consumed.
- 15) **VENDOR COMPLAINTS.** Any deficiencies in products or vendor performance will be reported to the vendor by agency memorandum. The memorandum requests a written answer to the SWHRA. Vendors who do not respond promptly are subject to disqualification in future bidding.
- 16) **DEFAULT BY VENDOR.** In case of any default of the contractor, the SWHRA may procure the product or services from other sources and hold the contractor responsible for any damages incurred, including but not limited to, excess cost or handling charges.
- 17) **CANCELLATION OF PURCHASE ORDERS.** No cancellation of SWHRA Purchase Orders and SWHRA Departmental Requisitions may be made except in writing by the Executive Director. Orders may be cancelled without the consent of the contractor in case of any default by the contractor. A contractor may request cancellation and the SWHRA may grant relief if the contractor is prevented from performance by an act of war, order of legal authority, act of God or other unavoidable causes not attributed to the fault or negligence of the contractor. The burden of the proof for such relief rests with the contractor. The SWHRA shall have the right to disqualify any contractor who defaults or any contract with the SWHRA from future bidding.
- 18) **PAYMENT WITHHELD.** Payment for any item delivered may be withheld until all requirements of the contract have been complied with in full.

H. VENDOR CHARGES AND COLLECTIONS

- 1) **INVOICES.** Invoices must be rendered in the number of copies requested and to the SWHRA no later than five (5) working days after delivery is made. Invoices shall be sent to the "Bill To" address on the Purchase Order/Departmental Requisition.

2) BILLING PROCEDURES AND INVOICES. Invoices must show the following information identical to that shown on the Purchase Order:

- a. Vendor name, address.
- b. The Purchase Order number.
- c. Agency name and address.
- d. Item description and number.
- e. Quantity, unit, unit price and extension for each item.
- f. The invoice total.
- g. Discount, if applicable.
- h. Date of order and shipping date.
- i. Back orders, if any, and shipping date.
- j. Cancellation, if any.

I. COST PRINCIPLES, PLANT INSPECTION AND AUDIT

A. CONTRACTOR CERTIFICATION OF COST OR PRICING DATA. Any contractor who makes a contract with the SWHRA shall submit, except as provided for in this section, to the SWHRA a certification stating that cost or price data is to the best of its knowledge and belief, accurate, complete and current as of the mutually determined date prior to the date of: (a) contract awarded pursuant to sole source procurement where the total contract price is expected to exceed an approved amount, or (b) pricing of any change order or contract modification which is expected to exceed an approved amount. If such certified data is found to be inaccurate, incomplete or not current as of such date, any contract, change order or subsequent contract modification shall be adjusted to exclude any such errors. Cost or pricing data certification is not required where:

- 1) contract price is based on adequate price competition;
- 2) contract price is based on established catalog prices or market prices;
- 3) contract prices are set by law or regulation; or
- 4) the SWHRA waives such requirement consistent with these rules, provided such waiver and the reasons therefore are stated in writing.

B. RIGHT TO INSPECT PLANT AND AUDIT RECORDS. The SWHRA may, at reasonable times:

- 1) inspect the part of the plant or place of business of any contractor or sub-contractor;
- 2) audit the books and records of any contractor or sub-contractor who has submitted cost or price data pursuant to part (A) of this rule; or
- 3) audit the books and records of any contractor or sub-contractor for any contract other than a firm fixed-price contract

where such location, books and/or records relate to the performance of any such contract or subcontract. Such books and records shall be maintained by the contractor for a period of three (3) years from the date of final payment under the prime contract and by subcontractor for a period of three (3) years from the date of final payment under the subcontract, unless a shorter period is otherwise authorized in writing.

- G. COST PRINCIPLES REGULATION. Title 41 of the Code of Federal Regulations, Chapter 1, Part 1-15, Subpart 1-15.2 as revised July 1, 1979, shall constitute the cost principles for determining allowability of incurred costs for the purpose of reimbursement under contract provisions.

CHAPTER II

PERSONAL SERVICES, PROFESSIONAL SERVICES, AND CONSULTANT CONTRACTS

A. APPLICABILITY. These rules shall apply to all contracts for personal services, professional services and consultant services entered into by the SWHRA with the following exceptions:

- 1) CONTRACTS FOR SERVICES WHICH BY THEIR NATURE ARE AMENABLE TO BIDDING and which are subject to sufficiently uniform and impersonal criteria so that the SWHRA may properly evaluate bids shall be procured through the normal requisitioning process, and not by the procedures set out by these rules.
 - a) This category includes the following types of services:
 - (i) Pest Control
 - (ii) Security services (guards, watchmen, etc.)
 - (iii) Moving and hauling
 - (iv) Refuse collections
 - (v) Printing services
 - (vi) Non-emergency ambulance service
 - (vii) Maintenance (evaluator, machinery, building, grounds, plumbing repair, electrical repair)
 - (viii) Window washing service
 - (ix) Film processing
 - b) Other types of services not included in this list but which meet the criteria stated in paragraph (1) of this rule shall be procured through the normal requisitioning process.
- 2) CERTAIN ITEMS WHICH ARE COMBINATIONS OF GOODS AND SERVICES shall be procured through the normal requisitioning process, and shall be exempt from these rules.
 - a) The criteria are as follows:
 - (i) The item would tend to be one in which the end product is more important to the SWHRA than the service that goes toward its production or delivery.
 - (ii) The item would tend to be one in which the vendor has little discretion in determining its actual content or form.

b) Examples:

- (i) The printing of a circular - this service would be procured through the normal requisitioning process.
- (ii) The conduct of a study - this service would be procured in accordance with the rules of this chapter.
- (iii) The design of a flyer - this service would be procured in accordance with the rules of this chapter.

c) The Executive Director shall expeditiously determine the applicability of these rules in questionable or borderline cases to which paragraphs (1) and (2) of this rule may apply.

- 3) THESE RULES SHALL NOT APPLY TO UTILITIES.
- 4) THESE RULES SHALL NOT APPLY TO CONTRACTS REQUIRED TO BE APPROVED BY THE STATE BUILDING COMMISSION.
- 5) THESE RULES SHALL NOT APPLY TO BONA FIDE EMERGENCY PURCHASES, which shall be subject to the normal criteria, standards and procedures prescribed in Chapter I.
- 6) ANY PART OF THESE RULES WHICH MAY CONFLICT with applicable Federal regulations or provisions governing the use of Federal grant funds may be waived by the Executive Director.
- 7) ANY PART OF THESE RULES WHICH MAY CONFLICT WITH APPLICABLE LAW SHALL BE WAIVED.

B. POLICY. All contracts shall conform to the following policies:

- 1) Necessity - A contract for services with a person or organization shall not be approved unless it is determined that
 - a) those services are in fact needed, and
 - b) they cannot be satisfactorily and economically performed by the SWHRA.
- 2. CONTRACTS REPRESENTING THE HIRING OF EMPLOYEES - CONTRACTS CREATING AN EMPLOYER-EMPLOYEE RELATIONSHIP is prohibited. Only contracts with independent contractors, and not contracts representing the hiring of employees, will be executed.
 - a) The considerations relevant to this determination are as follows:
 - (i) Nature of the work
 - (I) to what extent employees could do the work, and whether the contractor has specialized knowledge or equipment unavailable to the SWHRA

- (II) to what extent the services represent the discharge of a SWHRA function calling for the exercise of personal discretion on behalf of the SWHRA.
- (III) the extent to which the need is continuing rather than short-term or intermittent.
- (ii) Contract provisions relating to supervision and control over qualifications of employees of the contractor
 - (I) the extent to which the SWHRA has control over qualifications of employees of the contractor
 - (II) the extent to which the SWHRA has the right to assign tasks for contractor employees
 - (III) the extent to which the SWHRA maintains supervision over the work of contractor employees
 - (IV) the extent to which the SWHRA maintains control over the method of the contractor's performance
 - (V) whether the SWHRA has the right to review performance of contractor employees as opposed to reviewing the final product
 - (VI) whether the SWHRA has the right to have contractor employees removed for other than misconduct or security reasons.
- (iii) Other Contract Provisions -
 - (I) whether the services can be defined as an end product
 - (II) whether the work constitutes a specific task or project as opposed to day-to-day work
 - (III) whether payment is for results accomplished as opposed to time worked
 - (IV) whether the contractor has access to the SWHRA's space, equipment, supplies, etc.
- (iv) Administration of the contract
 - (I) whether contractor employees are used interchangeably with SWHRA employees to perform the same function
 - (II) whether contractor employees are integrated into SWHRA's organizational structure.

3) MULTI-YEAR CONTRACTS

- a) No contract shall exceed a period of one year, except where
 - (i) the SWHRA submits proof that a substantial savings can result from a longer term agreement;
 - (ii) a special project absolutely requires continuity in a particular contractor's services for a longer term;
 - (iii) the contract requires no expenditure of funds by the SWHRA; or
 - (iv) the law expressly authorizes a contract exceeding one year in the particular case.

- b) In cases described in paragraphs (3) (a) (i) and (ii) of this rule, no contract should exceed a term of three years.

4) CONTRACTS WITH FORMER SWHRA EMPLOYEES - the SWHRA shall not be allowed to contract with an individual who is, or within the past six months has been, a SWHRA employee. For the purposes of applying this rule, an individual shall be deemed a SWHRA employee until such time as all salary, termination pay, and payments representing annual leave have been made.

5) CONTRACTS WITH COMPANIES OWNED BY SWHRA EMPLOYEES - A contract with a company or corporation in which a controlling interest is held by any SWHRA employee shall be considered, for the purpose of applying paragraph (4) of this rule, to be a contract with said individual.

6) METHOD OF PAYMENTS - APPROVAL - DOCUMENTATION

- a) All contracts must provide that payments are to be made upon submittal of invoices by the contractor, after performance of the portion of the services which each payment represents, except that contracts with tax-exempt non-profit organizations may provide for periodic advance payments.
- b) No payment shall be made for performance under a contract unless the SWHRA certifies that the contractor's work progress has been regularly evaluated, is satisfactory, and is sufficient according to the terms of the contract to justify the payment requested.
- c) The SWHRA must review and maintain adequate documentation to support all payments.
- d) The final payment shall not be made until the contractor has completed his performance under the contract.

- 7) PROGRESS REPORTS. All contracts must require that periodic (monthly or quarterly) progress reports be submitted to the SWHRA which must examine them and find the work adequate before authorizing the next payment, except that contracts not exceeding three months in duration need not require progress reports.
 - 8) PROOF OF INSURANCE, PERFORMANCE BOND - In appropriate cases, the SWHRA shall require of the contractor, before approval of the contract, proof of appropriate forms of insurance and/or performance bond.
 - 9) CONTRACTS WITH CORPORATIONS
 - a) Copy of charter - For contracts with corporations, the SWHRA may require that a copy of the corporate charter be submitted to it before approval of the contract.
 - b) Authority of signatory - If anyone other than the corporate president signs the contract for the corporation, the SWHRA may require that evidence be submitted showing that individual's authority to bind the corporation.
 - 10) TRAVEL, MEALS AND LODGING - If a contractor is to be reimbursed for travel, meals or lodging, such reimbursement shall be in the amount of actual cost, subject to the limits and rules set forth in the SWHRA Comprehensive Travel Regulations.
 - 11) PROCUREMENT OF SERVICES TO BE MADE ON A COMPETITIVE BASIS WHERE PRACTICABLE - general policy statement - It is policy that every contract representing the procurement of services shall be made on a competitive basis where practicable and appropriate, considering factors such as the type of service, cost, competence, reputation, and technical proposals made by vendors. More specific provisions relating to the requirement of competitiveness in specific types of cases appear in following rules of this chapter.
 - 12) NEGOTIATION - FAIRNESS REQUIRED - Any verbal negotiations which may take place shall be conducted in a manner so as not to disclose any information from a competitor's proposed terms that would unfairly enable another offeror to improve his proposal as a result. No other information shall be given to an offeror that would provide an unfair advantage over others.
- C. PROCEDURES, Except as otherwise provided by these regulations, no contract for personal services shall be made except by use of the following procedures:
- 1) METHOD OF NEGOTIATION. Criteria - Contracts representing the purchase of services shall be negotiated as the result of one of the three following processes:
 - a) Request for Proposal (See Appendix 1 for sample form) - This procedure shall be followed where justification does not exist for the use of either verbal competitive negotiation or sole source negotiation. It involves the written solicitation of proposals from potential vendors.

b) Verbal Competitive Negotiation - This procedure involves the verbal negotiation of the terms of a contract, and it shall be performed in a manner which maximizes free and open competition among vendors. It may be used in lieu of written proposals where

- (i) The public exigency will not permit the delay incident to formal advertising;
- (ii) Total value of the services does not exceed \$500;
- (iii) The rates payable for the services are regulated by law; or
- (iv) No acceptable proposals have been received after written solicitation.

c) Sole Source Negotiation - This procedure involves the verbal negotiation of a contract with a single vendor. It shall be performed in a manner which results in the most economical arrangement for the negotiation only where competitive negotiation would not be feasible or practicable as in the following cases:

- (i) The service required is available from only one person or firm;
- (ii) The contract is with another governmental unit.

2) REQUEST FOR PROPOSAL - Procedure - If it is determined, according to the criteria set forth in Rule C (1) of this chapter, that the appropriate method of negotiation is to solicit written proposals, the following procedures shall apply:

a) A Request for Proposal (see Appendix 1 for sample form) shall be prepared by the SWHRA. It shall contain the following:

- (i) A clear and accurate description of the technical requirements for the service to be procured. It shall not contain features which unduly restrict competition, and it shall be in sufficient detail to minimize the likelihood of requests from vendors for clarification;
- (ii) ~~Directions as to the time and place where proposals must be delivered;~~
- (iii) A statement of the time when proposals will be opened;
- (iv) A statement of the factors to be considered in evaluating the proposals. Examples of such factors are as follows:
 - (I) Prior experience in the field.

- (II) Organization size and structure of offeror's firm in relation to work to be performed.
 - (III) Qualifications of staff to be assigned to the work as determined from resumes submitted. Education, position in firm, and years and types of experience will be considered.
 - (IV) Offeror's understanding of work to be performed, to be determined by evaluation of time estimates for performing each step in the total services proposed.
 - (V) Price per unit of service.
 - (VI) A statement that the SWHRA reserves the right to further negotiate with any or all potential providers after proposals are received.
- b) The Request for Proposal shall contain a number assigned to the transmittal by the SWHRA. This number shall be prefixed by "RFP". The first contract request in each fiscal year for each department shall be designated the number 1 (preceded by the prefix described above and the fiscal year), and subsequent ones shall be numbered consecutively (example: RFP-T-82-1). All references to a request or contract entered into subsequent thereto shall contain this RFP number.
- c) Advertisement. The SWHRA shall formally advertise and/or send a request for proposal to all potential contractors known to the SWHRA, except that it is not necessary to send requests to more than 15 different vendors. The SWHRA office is designated as the place to which proposals are to be delivered.
- d) Opening of proposals - public record - proposals for each contract shall be opened at the time specified in the Request for Proposal. After a contract is made and finally approved, all proposals received pertaining to that contract shall be held open to public inspection by the SWHRA during reasonable hours on working days.
- e) Analysis of proposals
- (i) The SWHRA shall analyze the proposals and conduct verbal negotiations if deemed advisable. Nothing shall prohibit the SWHRA from conducting as many negotiation sessions as it deems necessary.
 - (ii) Proposals shall be analyzed on the basis of factors pertinent to the service in question. Contracts shall be awarded to the vendor who offers the best terms, and neither the price nor the technical factor shall be the sole criterion, although price may be the criterion for determining which proposals to consider (if more than five proposals are received, those quoting prices higher than the fifth lowest may be disregarded). The SWHRA may then draft a contract.

- 3) VERBAL COMPETITIVE NEGOTIATION AND SOLE SOURCE NEGOTIATION.
Procedures - If it is determined according to the criteria set forth in rule C (1) of this chapter that the appropriate method of negotiation is verbal competitive negotiation or sole source negotiation, the following procedures shall apply:
- a) The request shall be approved or disapproved on the basis of the following:
 - (i) Applicability of these procedures (re: Rule II-A).
 - (ii) Necessity (re: Rule II-B (1))
 - (iii) Employer-employee relationship (re: Rule II-B (2)).
 - b) If the request is approved, the SWHRA shall negotiate the terms of the contract in the best interest of the SWHRA. In case of competitive negotiation, the vendor who offers the best terms shall be selected, on the basis of factors such as experience, qualifications, ability and cost. The SWHRA may then draft a contract.
- 4) Contract. Execution - approval - processing
- a) After the terms of the contract have been determined, the contract shall be drawn, including the terms required by Rule II-E of this chapter, and executed. (See Appendix 4 for sample form).
 - b) After the contract is executed, it shall be delivered to the Fiscal Department of the SWHRA, accompanied by a memorandum indicating the negotiation process, stating where relevant the following:
 - (i) The number of Requests for Proposals delivered to vendors.
 - (ii) The number of proposals received.
 - (iii) The number and type of verbal negotiation sessions conducted.
 - (iv) Whether the vendor selected has made the lowest cost proposal, and if not, the basis for the selection.
 - c) The contract shall be accompanied by a copy of any written proposals received.
 - d) The contract shall be accompanied by a summary sheet (see Appendix 5 for sample) showing the following information:
 - (i) Name of Contractor.
 - (ii) Breakdown of funding by source.
 - (iii) Breakdown of expenditures by fiscal year.

(iv) Social Security Number of contractor (if an individual) or Federal Employer Identification number of contractor.

(v) RFP number described in Rule II-C-2 (b) of this chapter.

e) All contracts should be on legal size paper (8½" x 14"), with a colored paper backing of a uniform color selected by the SWHRA.

f) The SWHRA shall approve or disapprove the contract on the basis of whether it is for a proper purpose for which the required funds are available.

5) RETENTION OF RECORDS. The SWHRA shall retain a record of the negotiation process on which each contract is based.

D. SPECIAL CASES - SPECIAL PROCEDURES. The following are procedures which shall be utilized in appropriate cases as specified below:

1) NO-COST CONTRACTS - Contracts whereby the SWHRA incurs no financial obligation may be negotiated and executed. The contract shall contain a unique RFP number, described in Rule II-C-(2) (b).

2) GRANTS

a) Contracts representing the following types of expenditures by the SWHRA shall be made by the procedure set out in paragraph (2) (b) of this rule:

(i) A grant constituting an award based on an approved budget for work toward the completion of a general activity or program.

(ii) The passing through of a Federal Grant which specifically identifies by name the contractor as grantee or beneficiary.

(iii) A contract with a non-profit or governmental organization, the primary purpose of which is to grant funds to finance operations rather than to procure services.

b) Procedures - Grants defined in paragraph (2) (a) of this rule shall be made by use of a contract as follows:

(i) The SWHRA shall conduct negotiations where possible to insure that payments are appropriate to support the activities contemplated.

(ii) The contract shall submit to the SWHRA a budget and work program.

(iii) The contract shall then be drawn and executed by the parties. The contract shall contain a unique RFP number described in Rule II-C-(2) (b), and it shall be accompanied by a summary sheet described in Rule II-C-(4) (d) of this chapter, with a notation verifying that the contract represents a grant as defined above.

3) AMENDMENTS AND ADDENDA. Amendments and addenda to existing contracts shall be made as follows:

(a) Procedure

(i) The SWHRA shall negotiate the terms, draw the amendment and have it executed. The document shall contain the RFP number of the contract being amended.

(ii) The amendment shall be submitted to all officials who were required to approve the contract being amended. It shall be accompanied by a summary sheet described in Rule 11-C (4) (d) of this chapter.

b) Form (see Appendices 2 and 3 for sample forms) - An amendment or addendum shall clearly state the additions, deletions and modifications to the contract, including a statement whether the new terms are in place of or in addition to the terms expressed in the contract.

4) CONTRACTS WITH OTHER STATE AGENCIES OR GOVERNMENTAL UNITS - Contracts with other state agencies or governmental units may be negotiated, drawn, executed, and forwarded to the Executive Director for approval. The contract shall contain a unique RFP number described in Rule II-C-(2) (b) of this chapter and be accompanied by a summary sheet described in Rule 11-C(4) (d) of this chapter.

E. CONTRACT FORM (See Appendix 4 for sample form).

1) EXCEPT AS OTHERWISE PROVIDED BY THESE OR OTHER RULES, EVERY CONTRACT SHOULD CONTAIN THE FOLLOWING:

a) SWHRA employee exemption clause;

(i) If the contract is an individual:

"The contractor warrants that he is not and during the term of the contract will not become an employee of the SWHRA."

(ii) If the contract is an organization:

"The contractor warrants that no part of the total contract amount provided herein shall be paid directly or indirectly to an officer or employee of the SWHRA as wages, compensation, gifts in exchange for acting as officer, agent, employee, subcontractor or consultant to the contractor in connection with any work contemplated or performed relative to this contract."

b) Civil Rights clause:

"No person on the ground of handicap, race, color, religion, sex or national origin will be excluded from participation

in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this contract, or in the employment practices of the contractor. The contractor shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to all employees and applicants, notices of non-discrimination"

c) Restraining clause:

"This contract shall not be binding upon the parties until it is approved by the Board Chairman and/or the Executive Director."

d) Independent Contractor clause:

"The contractor, being an independent contractor and not an employee of the SWHRA, agrees to carry adequate public liability and other appropriate forms of insurance, and to pay all taxes incident hereto. The SWHRA shall have no liability except as specifically provided in this contract."

e) Description of duties of contractor - The contractor's duties must be clearly and specifically defined in detail, including the following:

- (i) Type
- (ii) Scope
- (iii) Duration
- (iv) Form
- (v) Quality
- (vi) Quantity
- (vii) Place
- (viii) Size
- (ix) Time
- (x) Purpose

f) Description of duties of the SWHRA - The SWHRAs duties must be clearly defined. These usually involve only the payment of money, and the method, timing and conditions of payment must be clearly set out.

- (i) Following a statement of the timetable for payments, this clause should appear:

"Payments to the contractor shall be made according to the schedule set out above, but only after receipt of invoices for services performed. The final payment shall be made only after the contractor has completely performed its duties under this contract."

- (ii) Exception: In grant contracts as described in Rule II-D(2), the immediately preceding statement need not be included, and the contract may provide for advance payments according to a stated schedule.

- g) Maximum payment clause:

"In no event shall the liability of the SWHRA under this contract exceed \$ _____."

- h) Term

"The term of this contract shall be from _____ to _____."

- i) Early termination clause:

"This contract may be terminated by either party by giving written notice to the other, at least _____ days before the effective date of such termination. In that event, the contractor shall be entitled to receive just and equitable compensation for any satisfactory authorized work completed as of the termination date."

Provided, this clause may be waived in appropriate cases by the Executive Director.

- j) Withholding of funds upon breach clause:

"If the contractor fails to fulfill in timely and proper manner his obligations under this contract, or if the contractor shall violate any of the terms of this contract, the SWHRA shall have the right to immediately terminate this contract and withhold payments in excess of fair compensation for work completed.

Notwithstanding the above, the contractor shall not be relieved of liability to the SWHRA for damages sustained by virtue of any breach of this contract by the contractor."

- k) Amendment clause:

"This contract may be modified only by written amendment executed by all parties hereto."

1) Audit and documentation clause:

"The contractor shall maintain documentation for all charges against the SWHRA under this contract. The books, records and documentation of the contractor, insofar as they relate to work performed or money received under this contract, shall be maintained in conformity with generally accepted accounting principles for a period of three full years from the date of the final payment, and shall be subject to audit, at any reasonable time and upon reasonable notice, by the SWHRA or the Comptroller of the Treasury, or their duly appointed representatives, or a licensed independent public accountant. In the case of a multi-funded grantee, the records shall be maintained at no less than those recommended in the Uniform Accounting Manual for Development Districts of Tennessee, published by the Comptroller of the Treasury, State of Tennessee."

m) Prior approval of sub-contracts or assignment clause:

"The contractor shall not assign this contract or enter into sub-contracts for any of the work described herein without obtaining the prior written approval of the SWHRA."

n) Progress reports clause:

"The contractor shall submit (monthly) (quarterly) progress reports to the SWHRA."

Provided, this clause is not necessary in contracts for a term of less than three months.

2) CLAUSES WHICH SHOULD BE INCLUDED WHERE APPROPRIATE ARE AS FOLLOWS:

a) Contracts representing grants - Grant contracts must include the following provision:

"The contractor shall cause to be performed, in accordance with auditing standards prescribed by the Comptroller of the Treasury, State of Tennessee, an audit of all its program(s) funded by this contract; provided, however, that any contract for such audit shall be subject to prior approval of the Comptroller of the Treasury of the State of Tennessee, and must be submitted on the standard 'Contract to Audit Accounts' form published by the said Comptroller of the Treasury. Said audit may include and be combined with an audit of other programs and of the contractor, and the existence of more than one contract between the contractor and any agency of the State of Tennessee shall not necessitate more than one audit of the contractor's programs to be performed every two years."

- b) Grant contracts - procurement by grantee - Grant contracts which provide for reimbursement for the cost of procuring goods, materials, supplies, equipment or services shall contain the following:

"If the other terms of this contract allow reimbursement for the cost of procuring goods, materials, supplies, equipment or services, such procurement shall be made on a competitive basis (including the use of competitive bidding procedures), where practicable."

- c) Federally funded grant contracts - procurement by contractor - Where a grant contract provides that the contractor may make purchases and be reimbursed for its cost with funds derived wholly or partially from Federal sources, the following clause or one of substantially the same effect should be included:

"Reimbursement for the cost of procuring goods, materials or services shall be subject to the contractor's compliance with applicable Federal procurement requirements."

The determination of costs shall be governed by the cost principles set forth in Title 41 of the Code of Federal Regulations, Sub-part 1-15.2 through 1-15.8.

- d. Federally funded contracts - compliance with Federal regulations - If Federal funds are used to support the contract, the following clause must be included:

"The contractor shall comply with all applicable Federal regulations in the performance of his duties under this contract."

- e. Multiple fiscal year funding - availability of funds - If the contract calls for payment to be made from funds appropriated for more than a single fiscal year, the following clause must be included:

"This contract is subject to the allotment of Federal and State funds."

- f) Travel, meals and lodging - If the terms of the contract are to include compensation for travel, meals or lodging, the following clause must be included:

"Compensation to the contractor for travel, meals and/or lodging shall be in the amount of actual cost to the contractor, subject to maximum amounts and limitations specified in the SWHRA Comprehensive Travel Regulations, as they may be from time to time amended."

- g) Contracts for auditing, fiscal management or accounting services - Every contract for financial management (including EDP systems impacting financial management), auditing or accounting services shall include the following provision:

"All audit (or accounting or financial analysis) workpapers shall be made available for review by the SWHRA, Comptroller of the Treasury, or their representatives, upon request during normal working hours either while the analysis is in progress or subsequent to the completion of this contract."

- h) Retention of percentage of funds - where appropriate, a procurement contract shall contain the following clause:

"An amount of \$_____, representing _____ per cent of the maximum total compensation payable under this contract, shall be withheld by the SWHRA until _____ days after final completion of the services to be performed by the contractor under this contract."

- i) Confidentiality Clause:

"Strict standards of confidentiality of records will be maintained in accordance with the law."

- j) "Hold harmless" clause - inappropriate - The SWHRA shall not agree by contract to hold a contractor harmless for any liability arising from the contractual relationship.

- k) Contracts with local governmental entities, need not contain all the provisions set out in subsection (l) of this rule, but must contain an adequate description of the duties of each party, with a statement of the period of the contract and the maximum amount payable.

- l) General Instructions - Contract Form and Execution

(i) The purpose of a written contract is to embody the complete agreement in writing. No relevant terms should be left to an unwritten "understanding". The document should be explicit and clearly state the rights and duties of each party.

(ii) If the contractor is a corporation, its name must be stated exactly as it appears in its charter. The person signing on behalf of the corporation must have authority to do so, and his position with the firm should be shown on the signature page.

F. APPROVAL OF BOARD CHAIRMAN GOVERNING BOARD. All contracts subject to these rules, are subject to final approval by the Board Chairman, Governing Board.

G. EXCEPTIONS TO RULES. Exceptions to the rules of this chapter may be made by submitting to the Board of Standards a written request including a statement of the reasons therefor.

H. EFFECTIVE DATES

- a) The policies expressed in the rules of this chapter shall take effect upon the date of their promulgation.
- b. The procedures established by the rules of this chapter shall take effect upon approval by the Board of Standards.



Memo

Date: Thursday, December 17, 2009
To: All Directors and Managers
From: Mike Smith, Executive Director *MS*
Re: Purchasing Procedures

Effective Immediately

The Southwest HRA Policy Council approved the following new guideline today.

Please review the following new guideline for purchasing.

Please see next page for update.

A purchase requisition must be submitted for purchases of ^{\$50}\$25 or more. A Purchase Request Form (attached) must be submitted to Sheila Austin in the Fiscal Department. You will only need to complete the form attached. Forms are also available in the Fiscal Department. Once approved, a purchase requisition number will be returned to the initiator of the Purchase Request Form and the purchase may then be executed. If the purchase request is denied, an explanation will be provided on the Purchase Request Form.

In addition, please review the Purchasing Procedures for SWHRA attached, making sure that any new employees are aware of these procedures.



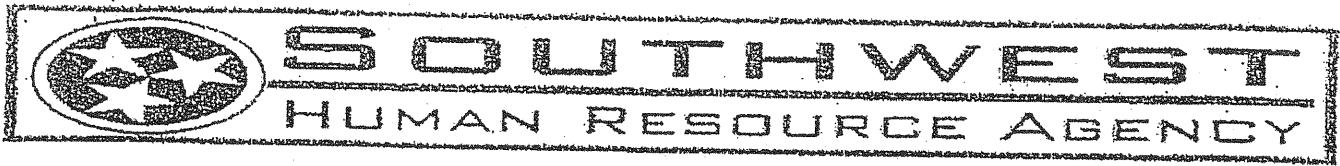
Procurement Policy Changes/Updates:

1. SWHRA is not required to submit a Purchase Order for certain purchases as listed below unless purchased from term contracts. These purchases, however, may be governed by other law or regulation and may require approval by a state agency. Current approving requirements are noted.
 - ✗ • Purchases of up to \$200 unless the item(s) is procured pursuant to a contract entered into by SWHRA.
 - Telephone billings.
 - Newspaper, radio or television advertisements.
 - Freight charges not incurred in connection with the purchase of supplies and equipment.
 - Postage charged including the purchase of metered postage.
 - Charges on airline and gasoline credit cards.
 - Bonding fees or notary public fee.
 - Building permits.
 - Deed registration fees.
 - Travel and Registration fees.
 - Court fees.
 - Utility billings and connection fees.
 - Tuition, fees and supplies for training of individuals.
 - Occasional charges for rooms for meetings and attendant expenses.
 - Expenses in connection with meetings such as coffee and doughnuts.
 - Rental of vehicles while on approved travel.
2. SWHRA capitalization policy will be as follows:
 - Furniture and Fixtures: \$3,000
 - Buildings/Storage: \$3,000
 - Machines/Vehicles: \$3,000
 - Land: Any land purchased in SWHRA name

The state's policy is any items over \$5,000. We would like to take a more conservative approach and maintain the policy as outlined above. This would reflect a more current policy as well as be more in line with State of TN policy.

Approved by SWHRA Policy Council on August 13, 2015.


Jimmy Harris, SWHRA Policy Council Chairman



PURCHASE REQUEST FORM

Today's Date: _____ Date Item(s) Needed: _____

Person Requesting Purchase Requisition: _____

Department: _____

Total Purchase: \$ _____

Account Code (If more than one list each with the total dollar amount per account code)

Program Code	Activity Code	Location Code	General Ledger Code	\$Total
1. _____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____
4. _____	_____	_____	_____	_____
5. _____	_____	_____	_____	_____
6. _____	_____	_____	_____	_____
7. _____	_____	_____	_____	_____
8. _____	_____	_____	_____	_____
9. _____	_____	_____	_____	_____

Purchase Request Approved? YES NO

Purchase Requisition Number: _____

If NO, Explanation:

Date Received: _____ By: _____

Attachment II

Equipment Request Letter

One-Stop Operator and Career Service Provider Procurement Guidance Attachments

Attachment 8

State Guidelines for Local Workforce Development Boards One-Stop Operator and Career Service Provider Procurement

All Request for Proposals (RFPs) that contain requests for One-Stop Operators and Career Service Providers must include the duties set forth in **20 CFR 678.620** which are adopted in the State of Tennessee's Regional and Local Planning policies, as well as the State's One-Stop Delivery and Design System policy. Both the One-Stop Operator and Career Service Provider must be competitively procured, either as one RFP with one entity providing both services, or as separate RFPs to procure separate entities for the One-Stop Operator and Career Service Provider

LWDBs must follow all federal, state, and local competitive procurement requirements when selecting the operator of the comprehensive One-Stop and the provider of career services. Additionally, LWDBs must incorporate the following items listed within this document.

All RFPs must include a reference page that provides relevant WIOA references, the local entity's policies and procedures, and other applicable state and/or federal regulations.

I. Requirements and Recommendations for Bidder's List:

Bidder's List: Local Workforce Development Boards (LWDBs) must maintain a comprehensive list of eligible entities able to provide One-Stop Operator services. At minimum, this list should include entities eligible under **20 CFR 678.600**. This bidder's list should also be reviewed to ensure it is up-to-date and extensive. The list should contain both local and non-local eligible entities, including non-profit as well as for-profit agencies.

It is highly encouraged that LWDBs within the same or adjacent planning regions share and compare bidder's lists to ensure a full and open competitive procurement process is maintained for the region.

It is recommended that the RFP be distributed in all applicable legal publications, as well as on the procuring entity's website. Effort must be made to make the RFP as widely available as possible (*Examples: governmentbids.com and contacting the State Central Procurement Office for any listings*).

II. Requirements and Recommendations for Requested Documentation:

In order to be considered responsive, a bidder must provide two years of audited financial history. Adequate documentation could include recent audit reports, the entity's Comprehensive Annual Financial Report (CAFR), an independent review by a certified public accountant, tax records, or another recognized review of accounting process and procedures. Bidders who fail to provide this information must be deemed non-responsive.

In order to be considered responsive, a bidder must provide an organizational chart.

All organizations that are private, for-profit, or not-for-profit must be able to provide documentation of their registration under either Tennessee or their respective state's Secretary of State's office.

The RFP must be conducted using the non-Federal entity's own documented procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable federal laws and the standards identified in **2 CFR 200.318**. The RFP must also be conducted in a manner providing full and open competition consistent with the standards of **2 CFR 200.319(a)**.

All bidders are required to provide their Dun & Bradstreet number (DUNS number). Prior to reviewing responses, the reviewing entity should verify that the bidders are not on the federal debarred/suspended list.

III. Requirements and Recommendations for Requested Information/Responses for Evaluation:

Bidders must discuss how they will work to incorporate all partners into the comprehensive One- Stop system. This discussion must include partners who are electronically present in the comprehensive One-Stop.

Note: Potential One-Stop Operator needs to be aware of any implications or special arrangements or how they will organize to meet the requirement of **20 CFR 678.630**, which states: *"Continued use of State merit staff for the provision of Wagner-Peyser Act services or services from other programs with merit staffing requirements must be included in the competition for and final contract with the One-Stop operator when Wagner-Peyser Act services or services from other programs with merit staffing requirements are being provided."*

Bidders must describe how the proposed One-Stop Operators will fit into their organizational chart (see the "Requirements and Recommendations for Requested Documentation" section above) and whether current or newly hired staff would be providing the services. Where possible, they should either provide resumes of current staff or titles and job descriptions/posting for any new positions.

Bidders must describe their customer service experience and discuss any experience with handling complaints and/or concerns from customers. Other required experience should include oversight of staff teams and experience in developing and delivering technical assistance.

Bidders must propose outcome measures that comprehensively capture and evaluate their effectiveness at providing services. This response should also include a proposed data collection and validation methodology as well as a proposed reporting method.

Bidders must discuss how they will ensure all partner agencies are collaborating and cooperating in the implementation of the partner programs. This should include discussions on both training for the One-Stop Operator staff and cross-training for the partner-program staff. Capacity-building experience would be relevant to this discussion.

Bidders must discuss how they will bring together the partner programs to ensure adequate outreach of the One-Stop center and demonstrate a thorough understanding of target populations for partner programs. Discussion should also include how the bidder will take ownership/leadership to ensure all partners are contributing to the center, both financially as well as through resources and staff time.

Bidders must discuss how they will comply with all federal/state/local regulations, as well as provide oversight to ensure that all partner agencies are also in compliance.

IV. Requirements and Recommendations for Evaluation Criteria:

There must be at least one evaluation criterion that assesses the bidder's financial capabilities.

There must be at least one evaluation criterion that assesses the bidder's technical/programmatic capabilities.

There must be at least one evaluation criterion that assesses the bidder's service delivery experience. (**Note:** it is not mandatory that bidders have WIOA experience, but it is recommended that the bidders have some experience with customer service and/or service delivery.)

V. One-Stop Operator and Career Service Provider Evaluation Criteria Guidance:

Upon receipt of One-Stop Operator and Career Service Provider RFP responses, each LWDB or secured third party will be tasked to evaluate and score each received sealed bid. The goal is to allow LWDBs, or the third party, the flexibility to evaluate bid packages in a manner that fits local needs and priorities while still providing basic standardization throughout all local areas. Information provided by the State of Tennessee Central Procurement Office regarding compliant procurement is included as **Attachment 4 - Evaluator Training Guide**, and **Attachment 5 - RFP Checklist**. The State has identified important evaluation criteria and strongly recommends that these criteria be included in the LWDB's (or third party's) evaluation procedures. Each LWDB evaluation committee retains the right to add any criteria based on the needs of the local area.

Organizational Overview/Experience:

- Bidder submitted record of past performance with WIOA (or similar program)
- Bidder provided a clear and relevant mission/vision
- Bidder provided a description and brief history of the organization
- Bidder demonstrated unique expertise that distinguishes organization

Financial/Fiscal Accountability:

- Bidder has financial and administrative experience in managing multiple federal, state, and/or private funding sources
- Bidder provided documents establishing financial history
- Bidder is up-to-date on taxes (i.e. income, annual state & federal, payroll, etc.)
- Bidder provided evidence that acceptable accounting systems are in place

- Bidder provided a proposed budget and narrative, which may include: personnel costs, operational expenses, direct expenses, and other estimated costs
- Bidder's budget is adequate for the scope of work presented in the RFP

Capacity:

- Bidder provided a functional or proposed organizational chart that is deemed satisfactory to meet One-Stop needs
- Bidder provided a workflow/logistical model
- Bidder provided a reasonable plan for staffing
- Bidder described resources the entity can bring to the workforce system

Partnerships & Community:

- Bidder demonstrated experience with oversight of multi-organizational staff
- Bidder demonstrated a plan for partner integration within the entity
- Bidder described strategies for outreach and enrollment
- Bidder provided a plan/method for community and business outreach
- Bidder provided a plan or demonstrated expertise in working with both rural and urban populations simultaneously (if applicable to local area)
- Bidder explained how the organization will measure customer satisfaction

Programs/Program Outcomes:

- Bidder provided a proposed program design model
- Proposed outcomes are relevant to the mission and objectives of One-Stop partner programs
- Bidder has detailed a service delivery model that correlates to the proposed outcomes
- Narrative clearly demonstrates how program activities will lead to the proposed outcomes

Technology, Data, & Reporting:

- Bidder described existing data and reporting system process
- Bidder described how they will track and evaluate each specific performance goals on a recurring basis
- Bidder described technological needs in order to assume operation
- Bidder demonstrated an ability to ensure and maintain data integrity

State Policy
ATTACHMENT 2: List of Qualifying Expenditures (based on fundable activities in VOS)

Note: as indicated in policy (Section 1: Guidance), the local WDB or staff should request clarification from the TDLWD staff prior to incurring the cost to ensure the service is allowable and to determine if the costs can be included in the minimum expenditure calculation.

VOS SERVICE CODE	DESCRIPTION	State Policy
180	Support Service - Child/Dependent Care	Section II.B.3
181	Supportive Service - Transportation Assistance	Section II.B.3
182	Supportive Service - Medical	Section II.B.3
184	Supportive Service - Temporary Shelter	Section II.B.3
185	Support Service -Other	Section II.B.3
186	Support Service - Seminar/Workshop Allowance	Section II.B.3
187	Support Service - Job Search Allowance	Section II.B.3
216	Out-of-area job search asst.	Section II.B.1
217	Supportive Service - Relocation assistance	Section II.B.3
219	Work Experience	Section II.B.1
223	Financial Literacy Services	Section II.B.1
300	Occupational Skills Training - Approved Provider List (ITA)	Section II.B.2.a
301	On-The-Job Training	Section II.B.2.b
302	Entrepreneurial Training	Section II.B.2.g
303	Distance Learning	Section II.B.2.a and II.B.2.e
304	Customized Training	Section II.B.2.j
320	Private Sector Training	Section II.B.2.e
323	Workplace Training & Cooperative Education	Section II.B.2.d
324	Adult Educ w/ Occ. Skills Training -Approved Provider List (ITA)	Section II.B.2.i
325	Employed Worker Skills Upgrading/Retraining	Section II.B.2.f
326	Support Service - Needs Related Payments	Section II.B.3
327	Support Service - Training Allowance	Section II.B.3
400	Youth-Summer Employment	Section II.A.3
406	Youth-Tutoring, study skills training & instruction	Section II.A.1
410	Youth-Leadership Development Services	Section II.A.6
415	Youth-Enrolled in Alternative Secondary Education	Section II.A.14
416	Youth-Occupational Skills Training - Approved Provider List	Section II.A.4
419	Youth-Support Services - Stipends	Section II.A.7
425	Youth-Work Experience - Paid	Section II.A.3
426	Work Experience - Un-Paid	Section II.A.3
427	Youth-Internship - Paid	Section II.A.3
428	Youth-On-the-Job Training	Section II.A.3
430	Youth-Occupational Skills Training - Non-Approved Providers	Section II.A.4
431	Youth-Financial Literacy	Section II.A.11
432	Youth-Education Offered Concurrently w/Workforce Prep	Section II.A.5
433	Youth-Entrepreneurial Training	Section II.A.12
434	Youth-Pre Apprenticeship Activities	Section II.A.3
480	Youth-Support Service - Child/Dependent Care	Section II.A.7
481	Youth-Support Service - Transportation Assistance	Section II.A.7
482	Youth-Support Service - Medical	Section II.A.7
483	Youth-Support Service - Temporary Shelter	Section II.A.7
484	Youth-Support Service - Incentives / Bonuses	Section II.A.7
485	Youth-Support Service -Other	Section II.A.7

INTERLOCAL AGREEMENT
BY AND BETWEEN THE
CHIEF LOCAL ELECTED OFFICIAL (CLEO),
LOCAL ELECTED OFFICIAL (LEOs)
AND
SOUTHWEST HUMAN RESOURCE AGENCY
(SERVING AS FISCAL AGENT)
OF
SOUTHWEST TENNESSEE LWDB

1) Purpose of This Agreement:

This Agreement is entered into by and between the following parties: Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Madison and McNairy Counties, political subdivisions of the State of Tennessee; as noted in Sec. 107 (c)(1)(B)(i) of the Federal Public Law 113-128 , of the Workforce Innovation and Opportunity Act, shall execute a written agreement that specifies the respective roles and liability of the individual LEO. The term for this agreement is from **September 1, 2018 to June 30, 2022.**

2) Designation of a Chief Local Elected Official (CLEO):

The parties to this Agreement agree that the Chief Local Elected Official shall be selected to serve as Chairperson by the body of LEOs and shall serve as Grant Recipient, acting on behalf of the other LEOs to execute any documents as may be reasonably necessary to implement the provisions of the WIOA, but that Southwest Human Resource Agency, shall serve as Grant Sub-recipient and Fiscal Agent for Southwest Tennessee LWDB and shall request that WIOA funds flow directly from the State to the Grant Sub-recipient. A Vice-Chairperson may be selected by the body of LEOs and may be authorized to act on behalf of the Chairperson/CLEO with the Chairperson/CLEO's written authority to do so.

Appointed CLEO:

Mike Creasy
 Decatur County Mayor
 P.O. Box 488
 Decaturville, TN 38329
 (731) 852-2131
 mcreasy@decaturcountyttn.org

3) Participating Local Elected Officials (LEOs):

Appendix A – located on page 5 of this document, list all LEOs within the LWDB and include: name, representation, contact information, and the LEOs signature.

4) Dispute Resolution:

Disputes among LEOs regarding Local Board Appointments and carrying out of other responsibilities under WIOA will be resolved by the LWDB Director calling a special meeting of the eight LEOs in the Southwest Tennessee LWDB. After discussion of all dispute items, the LEOs will be asked to vote and the majority will rule.

5) Fiscal Agent or Grant Subrecipient Designation:

In accordance with WIOA Sec. 107(d)(12)(B)(i)(II), the parties to this Agreement have agreed that Southwest Human Resource Agency shall serve as Fiscal Agent for the Southwest Tennessee LWDB.

Further, in accordance with Sec. 107(f)(1), the parties to this Agreement have agreed that Southwest Human Resource Agency shall serve as Administrative Entity to provide staff to assist in carrying out the functions of the local board. In so much as WIOA Sec. 107(g)(1)(A) states "except as provided in subparagraph (B), no local board may provide training services" and Southwest Human Resource Agency as the named Administrative Entity to provide staff to the LWDB is a training provider, a waiver under Sec. 107(g)(1)(B) is required.

The parties to this Agreement agree that the Fiscal Agent shall serve as Administrative Entity for the LWDB.

6) Grant Recipient/Liability of Funds:

The parties to this Agreement agree to share liability for the expenditures of funds made available under the WIOA to this local area, in accordance with Section 107(d)(12)(B)(I) of the WIOA. Parties agree to distribute such liability equally among the parties in proportion to the most recent population estimates available from the U.S. Bureau of the Census at such time that any repayment of funds is required.

7) Communication:

The CLEO will conduct quarterly meetings with the LEOs regarding LWDB activities. The CLEO, LEOs, and the LWDB will meet quarterly. Special called joint meeting(s) with the CLEO, LEOs, and the LWDB will be conducted as the CLEO or the Director of LWDB sees fit.

8) LWDB Budget Approval:

It is anticipated that funding necessary to implement the Workforce Innovation and Opportunity Act (WIOA) Program will be derived from federal and state grant funds received through the Tennessee Department of Labor and Workforce Development.

The designated Chief Local Elected Official (CLEO) shall serve as the grant recipient for the allocated grant funds and shall be accountable for any liabilities arising out of the allocation of said grant funds under the Workforce Innovation and Opportunity Act (WIOA)

Annually, the Local Workforce Development Board will develop a budget based on allocations from the Tennessee Department of Labor and Workforce Development. Budget will then be presented to the SWLWDB Executive Committee for review and approval. Once approved by SWLWDB Executive Committee, budget will be presented to the CLEO for review and approval.

9) LWDB Member Representation:

The Southwest Tennessee LWDB is constituted in accordance with the requirements of Section 107 of the WIOA, and shall be appointed by the respective County Mayors/Executives in a manner consistent with the provisions of the WIOA. The number and distribution of board membership shall be determined collectively by the LEOs, consistent with the provisions of the state plan and Section 107 (b) of the WIOA, and Tennessee Department of Labor and Workforce Development Workforce Services Policy #6 regarding Local Governance.

LWDB Nominations:

Southwest LWDB CLEO will solicit nominations from entities of: business, workforce (labor management/apprenticeships), education, government or community development. The nominator must be of management capacity within these areas or entities. In order to avoid conflicts of interest, staff from the following entities is prohibited from nominating members to the board or serving on the board:

- Southwest Local Board
- Fiscal Agent
- One-Stop Operator
- Service Provider

The authority to appoint members of SWLWDB is solely with the CLEO as the final authority. The nomination for an individual to serve on SWLWDB must come from the head of an organization which represents businesses, labor, education, or economic and community development; however, the signature to authorize the nominee must come from the CLEO.

Documentation to Support Nomination:

Each nomination requires a Conflict of Interest form to be signed by the nominee. The purpose of this form is to assure that the individual has disclosed any business connection of the nominee or their immediate family which could be interpreted as unfairly beneficial to a party receiving WIOA funds.

To approve the nomination of each individual selected to serve on SWLWDB, the following documentation is required:

- Conflict of Interest form signed by the nominee to the board; and
- Signed nomination form; and
- Signed letter from the head of the organization the nominee represents identifying the individual being nominated by their organization. This letter also must also acknowledge the nominee's optimum policy-making authority, as it aligns with a curriculum vita, resume, or work history, to support the qualifications of the nomination; and
- This signed letter shall be submitted to the appointing CLEO of SWLWDB. Composition of SWLWDB shall reflect the demographic makeup for SWLWDB.

Completed nomination forms shall be submitted by email to the Tennessee Department of Labor and Workforce Central Office (Workforce.Board@tn.gov) for review. Local Board will receive certification or denial letter within seven (7) days. Additional information may be needed before a decision can be made for certification. In this instance, additional requested information shall be forwarded to the Tennessee Department of Labor and Workforce Central Office. The member will not be seated onto SWLWDB until a certification letter from TDLWD is received to affirm the nomination.

Removal of LWDB Member:

Any member of SWLWDB may be removed for cause by a two-thirds (2/3) vote at a Board meeting, at which a quorum is present. Cause for removal shall include:

- Missing three (3) consecutive meetings
- A change in employment that results in a change of membership classification for which he/she was originally appointed
- Failure or refusal to work cooperatively with SWLWDB and to abide by the By-laws
- Other cause as determined by SWLWDB

Removal of a member shall also constitute removal as an officer of SWLWDB and as a member of all committees of SWLWDB. The cause of the removal will be documented in the meeting minutes. The removed member will be notified, in writing, within fifteen (15) days of the decision and will be provided the reason for removal.

A Board member must be removed by the Chief Local Elected Official (CLEO) if any of the following occurs:

- Documented violation of conflict of interest
- Failure to meet Board representation requirements
- Documented proof of fraud and/or abuse

A removed member may file an appeal using the following process:

- The appeal must be in writing and should be concise including any applicable attachments or exhibits.
- The appeal must be sent by certified mail (return receipt) to the Board Chair in care of Southwest Local Workforce Development Board located at: Southwest HRA, 1527 White Avenue, P. O. Box 264, Henderson, TN 38340.
- The appeal must be received within ninety (90) calendar days of the removal notification date.
- The Executive Committee shall rule on the appeal or the Board Chair may establish a called arbitration committee.
- The ruling of the Executive Committee or the arbitration committee is final and will be issued within ninety (90) days of the receipt of the appeal.

Resignation of LWDB Member:

A member may resign his or her membership at any time by tendering his or her resignation in writing to the Chairperson and SWLWDB staff; or in the case of the resignation of the Chairperson, to the Vic-Chairperson and SWLWDB staff. A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of the resignation by SWLWDB.

Reappointment of LWDB Member:

Any vacancy occurring on the SWLWDB will be filled in a reasonable time period, as defined as the period between the date of resignation/removal and the date of the second subsequent regularly scheduled Board meeting, not to exceed two full quarters. The LEOs in a LWDA are authorized to make all reappointments of members. Any action taken by the Board, with a vacancy beyond the time period described in the by-laws must be approved through a waiver from TDLWD prior to the Board meeting of such action. Waivers are to be requested in writing to the Administrator of Workforce Services with an explanation of why a vacancy was not filled in the defined timeframe and a description of the process underway to fill the vacancy.

10) Selection of a New Chief Local Elected Official:

When applicable the newly selected CLEO must submit a written statement to the LWDB acknowledging that they have read, understood, and will comply with the current Interlocal Agreement. Please carry this out on Appendix D on page 8 of this document.

11) Election of a New Local Elected Official:

In the event that new county mayor is elected, SWLWDB will inform the new LEO(s) of their responsibilities and liabilities as well as making sure they review and update written agreements among the LEOs **(20 CFR 683.710[b][3])**. Once the new LEO(s) have reviewed the Interlocal Agreement, the newly elected LEO will submit a written statement to SWLWDB acknowledging that they:

- Have read, understand, and will comply with the current Interlocal Agreement
- Reserve the option to request negotiations to amend the Interlocal Agreement at any time during their tenure as a LEO (**Workforce Services Policy (16-11) – Local Governance, page 5**)
- Review the Interlocal Agreement within ninety (90) days of the election to determine if updates are necessary.

When applicable, this will be carried out on Appendix D on page 8 of this document.

12) Amendment or Change to the Interlocal Agreement:

The amended Agreement becomes effective upon acceptance by all parties for execution of activities authorized by the Workforce Innovation and Opportunity Act and shall remain in force until such time a County Mayor/Executive calls for a modification, amendment, or alteration of the terms or conditions contained herein. All amendments or changes will be submitted to the LWDB and the TDLWD.

13) Oversight and Monitoring

Regular oversight of program and administrative expenses by the OSO will be conducted to ensure the daily operations of the program are functioning properly. Regular quality control will be performed at the local level and within the AJCs in order to help alleviate any problems with disallowed costs that result from the misuse of funds.

The required minimum participant cost rate (MPCR) will also be tracked through regular fiscal monitoring.

Appendix A:

CLEO Name: Mike Creasy
Representation: Decatur County Mayor
Contact Info:
P.O. Box 488
Decaturville, TN 38329
(731) 852-2131
mcreasy@decaturcountyttn.org

Signature: Mike Creasy

LEO Name: Barry Hutcherson
Representation: Chester County Mayor
Contact Info:
P.O. Box 296
Henderson, TN 38340
(731) 989-5672
barryhutcherson@yahoo.com

Signature: Barry Hutcherson

LEO Name: Jimmy Sain
Representation: Hardeman County Mayor
Contact Info:
P.O. Box 250
Bolivar, TN 38008
(731) 658-3266
jsainpilot@hotmail.com

Signature: J.S.

LEO Name: Kevin Davis
Representation: Hardin County Mayor
Contact Info:
465 Main Street
Savannah, TN 38372
(731) 925-9078
kevin.davis@hardincountyttn.net

Signature: Kevin Davis

LEO Name: David Livingston
Representation: Haywood County Mayor
Contact Info:
1 North Washington
Brownsville, TN 38012
(731) 925-9078
livingstondml@aol.com

Signature: David M. Livingston

LEO Name: Eddie Bray
Representation: Henderson County Mayor
Contact Info:
17 Monroe Ave., Suite 4
Lexington, TN 38351
(731) 968-0122
mayorhctn@gmail.com
eddie.bray1972@gmail.com

Signature: Eddie Bray

LEO Name: Jimmy Harris
Representation: Madison County Mayor
Contact Info:
100 East Main, Suite 302
Jackson, TN 38301
(731) 435-6020
jharris@madisoncountyttn.gov

Signature: Jimmy Harris

LEO Name: Larry Smith
Representation: McNairy County Mayor
Contact Info:
170 West Court Avenue, Rm 201
Selmer, TN 38375
(731) 645-3472
smithtoolservice@yahoo.com

Signature: Larry W. Smith

Appendix B:

This document is to acknowledge the designation, by the Chief Local Elected Official, of a Fiscal Agent to act as the grant subrecipient. By signing this document the Fiscal Agent has read and understood the responsibilities and liabilities of the role as subrecipient described in WIOA Section 107(d)(12)(B)(i)(II).

Fiscal Agent Name: Southwest Human Resource Agency

Representation: Southwest Region LWDB Fiscal Agent

Contact Info:

Mike Smith

P.O. Box 264

Henderson, TN 38340

(731) 989-5111

msmith@swhra.org

Signature:  _____

CLEO Name: Mike Creasy

Representation: ~~Decatur~~ County Mayor


Contact Info:

P.O. Box 488

Decaturville, TN 38329

(731) 852-2131

mcreasy@decaturcountyttn.org

Signature:  _____

Appendix D:

When applicable the newly elected CLEO or LEO must submit a written statement to the LWDB acknowledging that they have read, understood, and will comply with the current Interlocal Agreement. Signing below demonstrates that the newly elected individual understands their roles and responsibilities.

Newly Selected CLEO:

Name:
Representation:
Contact Info:

Signature: _____

Newly Selected LEO:

Name:
Representation:
Contact Info:

Signature: _____

Name:
Representation:
Contact Info:

Signature: _____

**PARTERSHIP AGREEMENT
BY AND BETWEEN THE
CHIEF LOCAL ELECTED OFFICIAL (CLEO)
AND
SOUTHWEST TENNESSEE WORKFORCE DEVELOPMENT BOARD
OF
SOUTHWEST TENNESSEE LWDB**

This Agreement is entered into on this 1st day of September 2018, by and between the Consortium of the Chief Local Elected Official (CLEO), the Local Elected Official (LEOs) of Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Madison and McNairy Counties in West Tennessee, all political subdivisions of the State of Tennessee (hereinafter referred to as the *Consortium*), and the Southwest Tennessee Workforce Development Board (hereinafter referred to as the *Board*) pursuant to the Workforce Innovation and Opportunity Act of 2014).

WITNESSETH

WHEREAS, the Workforce Innovation and Opportunity Act of 2014 was enacted by the Congress of the United States and signed into Law by the President of the United States, has developed a unified training system that will increase the employment, retention and earnings by participants, and as a result improve the quality of the workforce, reduce welfare dependency, and enhance productivity and competitiveness; and

WHEREAS, the Workforce Innovation and Opportunity Act of 2014 (the "Act") requires the Governor to designate a Local Workforce Development Board ("LWDB") to promote the effective delivery of job training services and further provides that a consortium of general purpose local governments may constitute such an area; and

WHEREAS, the Local Elected Officials of Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Madison and McNairy counties have entered into an agreement to form such consortium for the purposes of the Act; and

WHEREAS, the Act requires the establishment of a Local Workforce Development Board (the "Board") to provide policy guidance and exercise oversight of activities under the job training program for its LWDB in partnership with the Consortium; and

WHEREAS, it is the responsibility of the parties to determine procedures and policies for local board membership, the Development of a Workforce Development plan, the approval of a LWDB budget.

NOW, THEREFORE, the parties agree as follows:

1 Local Board Membership

The CLEO will assure adherence to the LWDB composition as outlined in WIOA Section 107(b)(2). The Board shall have a majority, as defined as greater than 50% of all Board membership, of business representatives. Business representatives must be (1) owners of businesses, chief executives, operating officers, or other business executives or employers with optimum policy making or hiring authority; (2) represent businesses with employment opportunities that reflect the employment opportunities of the local area; and (3) are appointed from among individuals nominated by local business organizations and business trade associations. The Chairperson of the Board shall (a) be elected from among the members of the Board and (b) be a representative of the private sector in accordance with WIOA Section 117 (b)(5).

A. Terms:

A member's term shall begin upon the date of the nomination form unless otherwise specified in the TDLWD status sheet received regarding each nomination. The member's term shall automatically renew each year, or until his or her resignation, removal, or death.

B. Nomination:

For each Board member position that requires a nomination, there are three types of Board representatives that require uniquely-mandated nominations. These are representatives for business, labor and education. Only organizations, specifically involved with these three classifications, may nominate such respective board members. Nominations, for these types of board representatives, require a Chief Executive Officer or head official, from one of the organizations pertaining to business, labor, or education, to perform the following tasks:

- i. Sign the appointment (nomination) form, referenced in Section D below; and
- ii. Sign a letter identifying the individual being nominated by his or her organization. This letter must acknowledge the nominee's optimum policy making authority and include documentation in the form of curriculum vitae, resume or work history supporting the qualifications of the nomination; and
- iii. Submit this signed letter to the LWDB and the appointing CEOs of the LWDB. Anyone making any other nominations or recommendations for other representative positions on the local Board will need to follow the same procedure as listed above in (i) — (ii). Composition of the LWDB should reflect the demographic makeup for the Southwest Tennessee LWDB. The most recent US Census is the best source for identifying respective demographics information.

C. Appointment:

LWDB member appointments must be signed by the appointing Chief Elected Official on the official Workforce Development Board Nomination Form. The nomination form must be accompanied by a conflict of interest statement signed by the prospective Board member. Both documents must be submitted to the Administrative Entity.

D. Change in Status:

Any member of the Board shall be removed for cause when such member: no longer holds the position or status as an eligible Board member as described in Section 117(b)(2)(A)(i-iv)(B); or, In accordance with the West Tennessee Workforce Development Board By-Laws, Section 5.4 Removal, any member of the Board may be removed for cause by a two-thirds (2/3) vote at a meeting, at which a quorum is present. Cause for removal shall include: (a) missing three consecutive meetings, (b) a change in employment that results in a change of membership classification, (c) failure or refusal to work cooperatively with the *Board* and to abide by the By-laws, and (d) other causes as determined by the Board.

E. Mid — Term Appointments:

Any member replacing an out-going member in mid-term will serve the remainder of the out-going member's term.

F. Vacancies:

Any vacancy occurring on the *Board*, including vacancies created by the removal of members for cause may be filled by the chief elected official of the county which appointed the member whose position is vacant, so long as the requirements of the Board By-Laws, Section 5.1 are satisfied. Vacancies must be filled within a reasonable amount of time of the vacancy. Any action taken by the Board, with a vacancy or term expiration beyond the time period described in the Board By-Laws, Section 5.6 shall be void unless the Board has an approved waiver from the TDLWD prior to the Board meeting. Waivers are to be requested in writing to the Administrator of Workforce Services with an explanation of why a vacancy was not filled in the defined timeframe and a description of the process underway to fill the vacancy.

G. Removal:

Any member of the Board shall be removed for cause when such member: no longer holds the position or status as an eligible Board member as described in Section 117(b)(2); or, has been determined by the Board to have violated conflict of interest rules; or, has been determined by the Board to have committed fraud or abuse in such members capacity as a member of the Board. Board members may be removed for other factors as determined by the Board by-laws Section 5.4 Removal: Any member of the Workforce Development Board may be removed for cause by a two-thirds (2/3) vote at a meeting, at which a quorum is present, in accordance with this article. Cause for removal shall include: (a) missing three consecutive meetings, (b) a change in employment that results in a change of membership classification, (c) failure or refusal to work cooperatively with the Board and to abide by the By-laws, and (d) other causes as determined by the Board. Removal of a member shall also constitute removal as an officer of the Board and as a member of all committees of the Board.

2 Relationship between Chief Elected Officials and the LWDB:

A. Roles and Responsibilities:

a. Local Plan Requirements:

The Board shall be responsible for the Development of the Local Workforce Development Area (LWDB-11) plan, and any amendments or modifications thereto, as described in Section 118 of the Act. The Chief Elected Official, on behalf of, and with the approval of the Consortium, shall approve such plan and any amendments or modifications. The plan shall be available for review and comment by the Consortium and their constituents for a period of thirty (30) days prior to approval

b. Budget and Approval:

Pursuant to Section 117(d)(3)(B)(1)(11) of the Act, the Consortium agrees to designate, the Chief Local Elected Official, by and through Southwest Human Resource Agency as the Grant Sub-recipient/Administrative Entity and local fiscal agent for the local area. As the Grant Sub-recipient/Administrative Entity and local fiscal agent, Southwest Human Resource Agency shall be responsible for the administration of all funds and activities at the direction of the Board pursuant to the requirements of the Act. Such administration shall include the Development of the budget, subject to the approval of the Board, to carry-out Workforce Innovation and Opportunity Activities under the Act. The members of the Consortium retain responsibility for appropriate use and distribution of any and all funds allocated to the Consortium through such Act and shall be liable for any misuse of the funds in proportion to their representation.

c. Workforce System Operator:

Pursuant to Section 117(d)(2)(A), the Board with the agreement of the Chief Elected Official, acting with the approval of the Consortium, shall designate a one-stop operator consistent with Section 121(d)(2)(A)(ii) of the Act. In so doing, the Board shall designate a Partner Consortium comprised of, Southwest Tennessee LWDB, and at least two other entities as described in Section 121(b)(1). The composition of such Partner Consortium shall be consistent with any policy of jurisdiction established by the State of Tennessee.

d. Local Board Policy:

Pursuant to Section 117(d) the Board shall have the authority to develop such Local Workforce Development Area (LWDB) policy as it determines necessary to carry-out Workforce Innovation and Opportunity Activities under the Act. Any Such policy(s) shall be consistent with the Act, and approved by a majority of the members of the Board at a regularly held meeting.

- e. Board Meeting Agenda:
The LWDB-11 Board Chair and Board Staff will collaborate in setting the agenda for Board meetings.
- f. Board Vision Communication:
In order to promote the Vision of the West Tennessee Workforce Development Board outreach will be conducted in local communities to determine the needs of job seekers and employers. WIOA funds will be utilized through on-the-job training to assist employers with training costs of new hires. Incumbent Worker Training funds will be made available to employers to upgrade skills of current workers in order to become more productive. Job seekers determined eligible for WIOA can utilize funds for in-demand occupational training.

3 Monitoring, Performance, and Oversight of LWDB:

Designated One-Stop Operator will be responsible for the oversight and monitoring of the WIOA programs administered in the Southwest Tennessee LWDB. One-Stop Operator will report to the Board regarding performance by utilizing a scorecard to be developed in conjunction with the Local Board staff and the One-Stop Operator staff.

4 Local Board Budget Approval:

All LEOs serve on the Policy Council of Southwest Human Resource Agency, who is the Fiscal Agent for Southwest Tennessee LWDB. Policy Council meetings are held quarterly allowing consideration of the LEOs to voice support or opposition of the budget. Opinions are taken into account through a voting process for approval of the budget.

5 Communication:

LEOs and County Chambers notify staff of LWDB when a meeting is scheduled within the county regarding Workforce Development needs. A member of LWDB staff will attend these meetings to identify how WIOA may assist with Workforce Development needs.

6 Amendments:

Should the occasion arise for an amendment to this agreement (Ex. Change in composition of the LWDB/newly elected official, etc.), LWDB will amend the agreement and submit to each party for review and signatures.

By signing this agreement, you are acknowledging that you have read, understood, and will comply with the current Partnership agreement.

THIS AGREEMENT IS ENTERED INTO ON BEHALF OF:

CONSORTIUM OF LOCAL ELECTED OFFICIALS



Mike Creasy, Chief Local Elected Official

SOUTHWEST TENNESSEE LWDB



Craig S. Butler, Board Chair

**COOPERATIVE AGREEMENT
BETWEEN
SOUTHWEST LOCAL WORKFORCE DEVELOPMENT BOARD
AND
TENNESSEE DEPARTMENT OF HUMAN SERVICES,
VOCATIONAL REHABILITATION PROGRAM**

This Cooperative Agreement (Agreement) by and between the Southwest Local Workforce Development Board (SWLWDB) and the Tennessee Department of Human Services, Division of Rehabilitation Services, Vocational Rehabilitation (VR) Program outlines the principal responsibilities of the Parties with regard to the purposes set forth in Section 107(d)(11) of the Workforce Innovation and Opportunity Act, Pub L. 113-128 (WIOA), subparagraph (B) of Section 101(a)(11) of the Rehabilitation Act of 1973, Pub. L. 93-112, and other applicable law and rules. SWLWDB and VR may be referred to individually as a "Party" or collectively as the "Parties" to this Agreement.

- A. Purpose. . In accordance with 29 U.S.C. § 721(a)(11), each designated state VR unit or agency shall enter into agreement with local agencies administering plans under 29 U.S.C. 720 et seq.) (other than section 112 or part C of that title (29 U.S.C. § 732, 741) and subject to section 121(f)), with respect to efforts that will enhance the provision of services to individuals with disabilities and other individuals.
- B. Cross Training of Staff. Each of the Parties to this Agreement shall provide staff training and technical assistance with regard to:
1. The availability of benefits and information regarding eligibility standards for services each provides; and
 2. The promotion of equal, effective, and meaningful participation by individuals with disabilities in workforce development activities in the local area through the promotion of programmatic and physical accessibility) and reasonable accommodations and the use of nondiscriminatory policies and procedures,
- C. Use and Sharing of Information. Each of the Parties to this Agreement agrees to the use of:
1. Types of information available to it such as employment statistics, job vacancies, career planning, and workforce investment activities as permitted by confidentiality requirements and applicable law and rules which benefits all partners, the overall operation of the American Job Center (AJC) and providing services to customers;
 2. Customer service features such as common intake and referral procedures, customer databases, resource information, and the Human Services Hotline [Department of Human Services Customer Service (615) 313-4700].
- D. Cooperative Efforts with Employers. With regard to the programs and/or services , each Party agrees to cooperate, collaborate, and coordinate to:
1. Market and deliver services to employers in the local area;
 2. Facilitate job placement of program participants; and
 3. Conduct any other activities that the designated local Business Services unit and the employers determine to be appropriate.

- E. Additional Cooperation, Collaboration, and Coordination Activities. With regard to each Parties program of services, each of the Parties agrees to participate in the process for and provide information necessary to the development of a Memorandum of Understanding and Infrastructure Funding Agreement.
- F. Written Notice. All notices and communications regarding this Agreement shall be addressed as follows:

DEPARTMENT OF HUMAN SERVICES


Paula Knisley, Director
Vocational Rehabilitation Program
Citizens Plaza State Office Building
400 Deaderick Street, 12th Floor
Nashville, TN 37243
Telephone: (615) 837-5049
Paula.Knisley@tn.gov

**SOUTHWEST LOCAL WORKFORCE
DEVELOPMENT BOARD**

Jimmy Bell, Director
P.O. Box 264
Henderson, TN 38340
Telephone: (731) 983-3688
jbell@swhra.org

- G. Period of Agreement and Termination. This Agreement shall remain in effect until modified or terminated in writing upon giving the other Party at least thirty (30) days advance written notice.

**SOUTHWEST LOCAL WORKFORCE DEVELOPMENT BOARD FOR
SOUTHWEST LOCAL WORKFORCE DEVELOPMENT AREA**

By: 
Jimmy Bell, Director

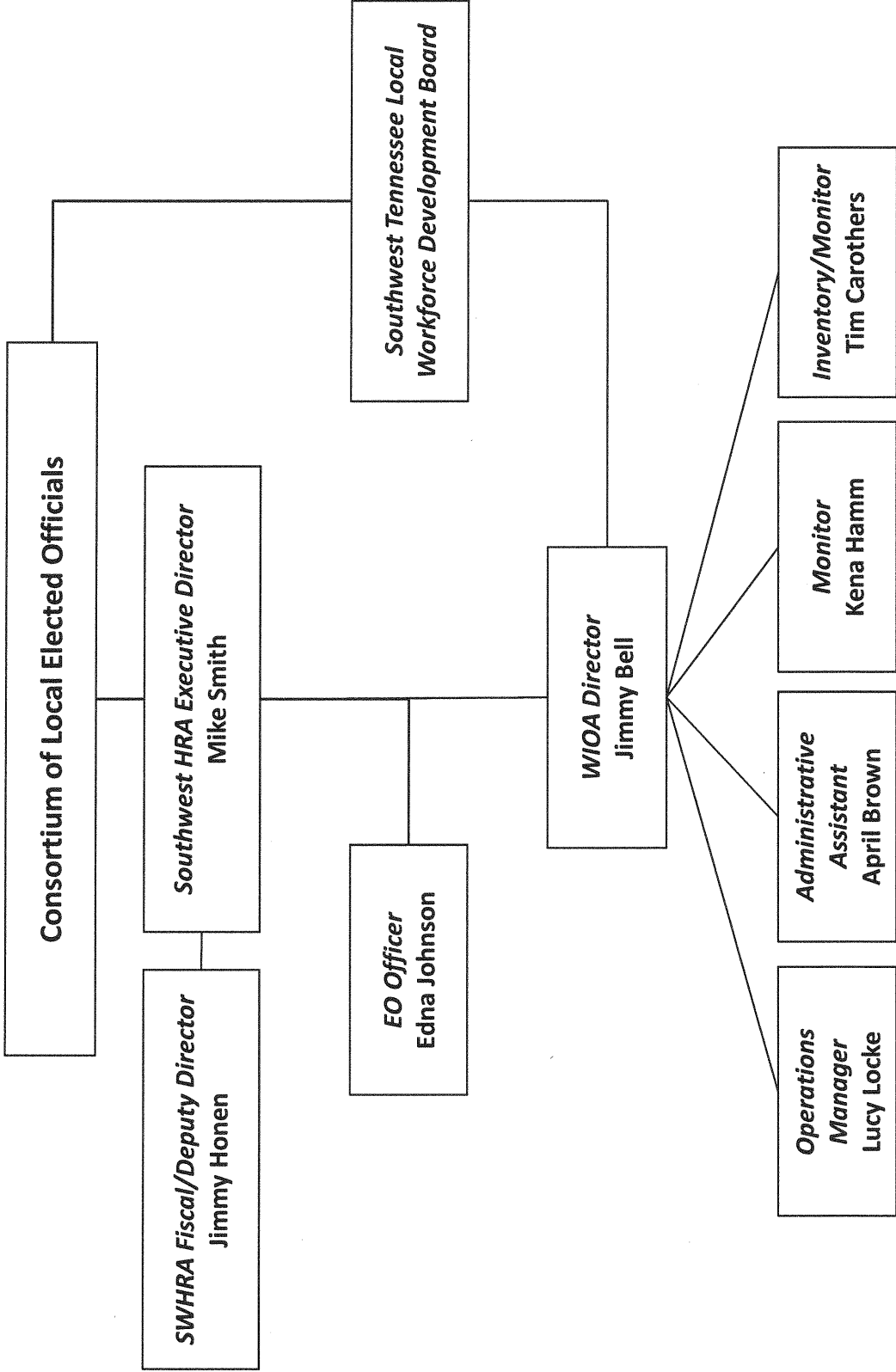
Date: 12-21-18

TENNESSEE DEPARTMENT OF HUMAN SERVICES

By: _____
Paula Knisley, Director, Vocational Rehabilitation Program

Date: _____

Southwest TN Workforce Development Board – Organizational Chart – October 2018



Regional Plan Attachments

A. Outreach Efforts and Public Comment Process

To receive and consider input into the development of the Regional Plan for PY 2018-2020 and the corresponding local plans for each of the three areas in the region, in compliance with WIOA Sec. 108(d), all plans are being published for a 15-day comment period between January 3, 2019 and January 17, 2019, prior to submission of the plan on January 18, 2019. Public notice is being submitted for publication to local newspapers in the region and is being published on the organizations' websites and social media pages. Additionally, an electronic communication regarding the posting of the local and regional plans is sent to all American Job Center partners, regional planning council (RPC) members, local board members (representing business, labor organizations, education, and others), standing committee members, Local Elected Officials, and other workforce system stakeholders for review and comments. The plans are being made available to be viewed on the local areas' websites and hard copies are being made available at all AJCs in the region during this time. Additionally, a public listening session hosted outside of normal work hours (Monday – Friday, 8:00 am – 5:00 pm) is scheduled in each local area and is being publicized along with the notification of the local and regional plan posting.

All comments are to be submitted in writing to a designated single point of contact, Jennifer Bane – Executive Director for the Northwest TN area, who will compile all comments received during the period of public comment and share them with RPC and board members and senior leaders for consideration and integration into the plan as appropriate. Any comments received, including those that represent disagreement with the proposed local or regional plan, will be included within the local or regional plan's attachments.

Local Elected Officials, LWDB members, core and required partner programs, private business, postsecondary institutions, and economic development agencies, including Small Business Development Centers, Chambers, and Development Districts were invited to participate in development of the transitional local and regional plans, and the modifications to those plans. The information gathered during local and regional planning sessions guided the RPC throughout the remainder of the regional planning process. During the transitional regional planning process, and during the plan modification process, stakeholders and the RPC met as listed below to develop the regional plan modification:

Date	Meeting Description
7/26/2016	Northwest Local Strategic Planning Session
7/28/2016	Southwest Local Strategic Planning Session
7/29/2016	Greater Memphis Local Strategic Planning Session
8/9/2016	West TN Regional Strategic Planning Session
10/14/2016	Regional LWDA Directors met to discuss Policy 22 and next steps
11/2/2016	West TN LWDB Regional Planning Preparation Meeting
11/15/2016	Update Northwest Board on Status of Region Plan Process and review progress to date
11/26/2016	Update Southwest Board on Status of Region Plan Process and review progress to date
11/29/2016	Regional Planning Council Meeting
1/10/2017	Regional Planning Council Meeting
1/23/2017	Draft Regional Plan Published for 30 Day Public Comment Period (through 2/21/17)
1/25/2017	Update Greater Memphis Board on Status of Region Plan Process and review progress to date
1/26/2017	Update Southwest Board on Status of Region Plan Process and review progress to date
2/21/2017	Regional Planning Council Meeting; End of 30 Day Public Comment Period
2/28/2017	Update Northwest Board on Status of Region Plan Process and review progress to date
12/6/2018	Planning guidance shared with Regional Planning Council via email
12/18/2018	Comments/Feedback on modifications to current regional plan due
1/3/2019	Local and Regional Plans posted for public comment (publicized and stakeholders notified)
1/14/2019	Local listening sessions for the Northwest and Southwest areas

1/15/2019	Regional Planning Council Meeting
1/17/2019	End of 30 Day Public Comment Period
1/18/2019	Local and Regional Plans submission deadline

B. Documentation of Outreach Efforts

In addition to email communications and meetings as listed above, all required planning partners, as well as the State Workforce Development Board, received the below public notice, customized for each area, regarding planning meetings listening sessions, and other public meetings related to the planning process. The notices were also sent to newspapers, posted on websites and social media pages of the local areas, and printed and posted at the AJCs, along with a hard copy of the appropriate local plan and the regional plan.

Public Notice

The Local Workforce Development Areas of West Tennessee, **Southwest** serving Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Madison, McNairy, **Northwest** serving Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, Weakley, and **Greater Memphis** serving Lauderdale, Tipton, Fayette, and Shelby Counties have prepared Local Plans and a Regional Plan for the 2018-2020 program years.

The Northwest Local Plan and West TN Regional Plan are OPEN FOR PUBLIC COMMENT JANUARY 3-17, 2019 and will be available at any American Job Center or online at www.NWTNjobs.org during this time. Submit comments or questions in writing to Jennifer Bane at 708 E. Court Street Dyersburg, TN 38024.

Local Plan Listening Sessions have been scheduled in each area.

The Northwest Listening Session is scheduled for JANUARY 14, 2019 FROM 5:00 – 6:00 PM

NWTDD Office, 124 Weldon Dr., Martin, TN

A Regional Planning Council meeting is scheduled for JANUARY 15, 2019 AT 10:00 AM


American Job Center, 1124 Whitehall, Jackson, TN

All meetings are open to the public. For additional information, contact Jennifer Bane at jbane@nwtworks.org or 731-286-3585.

This project is funded under an agreement with the TN Dept. of Labor & Workforce Development. EOE. Auxiliary aids/services available upon request. TDD# 711.

SOUTHWEST SIGNATURE PAGE

The Southwest Local Plan and the Regional Plan for the West Tennessee region is submitted in accordance with the provisions of the Workforce Innovation and Opportunity Act. We further certify that we will operate our Workforce Development Act Program in accordance with the plans and applicable federal and state laws and regulations.

<p>Workforce Development Board Chair</p>  <hr/> <p>Signature</p> <p>Chair</p> <p><i>1/10/19</i></p> <hr/> <p>Date</p>

<p>Chief Local Elected Official</p> <hr/> <p>Signature</p> <p>Chief Local Elected Official</p> <hr/> <p>Date</p>

SOUTHWEST SIGNATURE PAGE

The Southwest Local Plan and the Regional Plan for the West Tennessee region is submitted in accordance with the provisions of the Workforce Innovation and Opportunity Act. We further certify that we will operate our Workforce Development Act Program in accordance with the plans and applicable federal and state laws and regulations.

Workforce Development Board Chair
_____ Signature
_____ Chair
_____ Date

Chief Local Elected Official
<i>Nike Cleasy</i> _____ Signature
_____ Chief Local Elected Official
<i>1-10-19</i> _____ Date