**Workforce Investment Act Title I-B  
Washington State Policies**

**SECTION C: General Administration**

*Grantees, subrecipients, and contractors funded under the Workforce Investment Act, (WIA) whether in whole or in part, must abide by the Workforce Investment Act of 1998, the WIA Regulations, all applicable Office of Management and Budget (OMB) circulars, state regulations in laws and rules (Revised Code of Washington and Washington Administrative Code), Office of Financial Management (OFM) policies, and the Washington State WIA policies.*

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| **EFFECTIVE DATE  WIA POLICY NUMBER SUBJECT** | May 31, 2001 3405 Procurement and Selection of Service Providers |

[BACKGROUND |](http://www.wa.gov/esd/1stop/policies/documents/archive/3405.htm#BACKGROUND:) [POLICY](http://www.wa.gov/esd/1stop/policies/documents/archive/3405.htm#POLICY) | [DEFINITIONS](http://www.wa.gov/esd/1stop/policies/documents/archive/3405.htm#DEFINITIONS) | [REFERENCES](http://www.wa.gov/esd/1stop/policies/documents/archive/3405.htm#REFERENCES) [SUPERSEDES](http://www.wa.gov/esd/1stop/policies/documents/archive/3405.htm#SUPERSEDES) | [WEBSITE](http://www.wa.gov/esd/1stop/policies/documents/archive/3405.htm#WEBSITE) | [INQUIRIES](http://www.wa.gov/esd/1stop/policies/documents/archive/3405.htm#INQUIRIES)

**BACKGROUND**

None.

**POLICY**

1. This policy is applicable to the procurement of goods and services obtained through funds provided under the Workforce Investment Act (WIA). Local Workforce Development Councils (WDC)s should adhere to the principles set forth in the applicable section of the law and regulations related to selection of One-Stop Operators, awarding of contracts under WIA Title I-B Adult and Dislocated Worker funding provisions, and awarding of contracts for Youth Service provision under Title I-B.
2. Procurement standards shall ensure fiscal accountability and prevent waste, fraud, and abuse in WIA programs.
3. The state shall follow the Revised Code of Washington (RCW) and the Washington Administrative Code (WAC) for procurement provided no conflict with the WIA Law and regulations exists. (RCW 39.29 for personal services, RCW 43.19 for purchased services, and RCW 39.34 for interagency agreements.)
4. The WDCs will establish procurement policies and procedures in accordance with applicable state and local laws, rules, and regulations, provided no conflict exists with WIA. The local plan must include a description of the competitive process to be used to award grants and contracts for activities under Subtitle I of WIA (20 CFR 661.350), including the process to be used to procure training services that are made as exceptions to the Individual Training Account process (WIA Section 134 (d)(4)(G)).
5. The WDCs will select One-Stop Operators (20 CFR 662.410) through designation or certification through a competitive bid process, or under an agreement between the local council and a consortium of entities that include at least three or more of the required One-Stop partners identified at 20 CFR 662.200 (WIA Section 121 (d)(2)(A)).
6. Contracts to provide core and intensive services are authorized under WIA Title I-B. This would be as a part of those specified in the Memorandum of Understanding or Resource Sharing Agreement, between partners and the local council (WIA Section 121 (c) (1) and (2)). OMB Circular A-87 establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with state and local governments, and federally-recognized Indian tribal governments. OMB Circular A-122 establishes principles for determining costs of grants, contracts, and other agreements with non-profit organizations and should be used in procuring contracts for the delivery of core services from non-profit organizations. Contracts for core services will be awarded on a competitive basis, or awarded to a designated One-Stop Operator, or members of the consortium.
7. Workforce Investment Act (WIA) training services for adult and dislocated workers are financed and provided through the use of Individual Training Account (ITA) vouchers except under the three conditions described in WIA Section 134 (d)(4)(G)(ii) and 20 CFR 663.430 (a). The WDCs may only provide training services under 20 CFR 663.430 if they receive a waiver from the Governor and meet the requirements of 20 CFR 661.310 and WIA Section 117 (f) (1) or WIA Section 134 (d)(4)(G).
8. From funds allocated under WIA Section 128 (b) paragraph 1(a)(A) or (3) to a local area, the local board shall identify eligible providers of youth activities and shall award grants or contracts on a competitive basis, based on the recommendations of the youth council and on the criteria contained in the state plan, to the providers to carry out the activities, and shall conduct oversight with respect to the providers, in the local area (WIA Section 123).
9. The WDA establishes limitation on the use of funds under Title I-B. No funds available under this title shall be used for employment generating activities, economic development activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, and similar activities that are not directly related to training for eligible individuals under this title. No funds available under Subtitle B shall be used for foreign travel (WIA Section 181 (e)).
10. 20 CFR 661.310 restricts the provision of core and intensive services by the local board and by the staff of the local board. In addition, should the local board or its staff wish to be a one-stop operator, they must obtain state approval. Youth services, as described in paragraph 8 of this policy, must be competitively procured. If a local board or its staff wish to provide any of the above WIA Title I-B services, a "firewall" must be in place sufficient to avoid both the actual and the appearance of a conflict of interest.

**DEFINITIONS**

None.

**REFERENCES**

All fiscal policies and guidance letters published for WIA are governed, as appropriate, under:

* WIA, Section 134 (d)(4)(G), 121(c)(1) and (2), 121 (d)(2)(A), 181 (e), 117 (f)(1), 128 (b)(1), and 123
* 20 CFR 661.350
* 20 CFR 662.410
* 20 CFR 662.200
* 20 CFR 663.430
* 20.CFR 661.310
* OMB Circular A 110 (Administrative Requirements) 29 CFR 95
* OMB Circular A 102 (Administrative Requirements) 29 CFR 97
* OMB Circular A-122: Cost Principles for Non Profits;
* OMB Circular A-133: Audit of State and Local Government;
* OMB Circular A-133: Compliance Supplement;
* OMB Circular A- 21: Cost Principles for Education Institutions;
* OMB Circular A- 87:Revised Cost Principles for State and Local Government and Indian Tribal Government

**SUPERSEDES**

None. This communication is new.

**WEBSITE**

<http://www.wa.gov/esd/policies/title1b.htm>

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