

ARIZONA@WORK – SOUTHEASTERN AREA
MARCH 21, 2022
MEMO

TO: Board of Supervisors in Cochise, Greenlee and Graham Counties
FROM: Vada Phelps
SUBJECT: Governance Agreement – Amendment 1

At the ARIZONA@WORK board meeting on March 17, 2022 the local board approved the change and I have been instructed to forward the following information to your boards.

Due to the State revising their monitoring guide we are now required to revise our Governance Agreement. The change is approximately one page – ½ on page 11 and ½ on page 12.

Attached is the following

1. The email from the state requiring the revision
2. The letter with the findings outlining the required changes
3. A copy of my e-mail to the state attaching the document with changes
4. A copy of the document with the changes listed in red.
5. An email from the state wanting to know when the board would approve.
6. The Boards of Supervisors must approve any Amendment for Cochise, Greenlee and Graham as required at the bottom of page 2 in the governance agreement.
7. A letter from DES stating that the revisions resolve their issues and will be closed out once they received the signed document.
8. I did not include the new monitoring state document – it is 10 pages. If you would like a copy, please let me know.

I need a motion approving the required Amendment 1 revisions (need a copy of the minutes for the change) along with the attached signed form. If you would like me to attend a meeting to present this change, please let me know. Also, if you have any questions, please let me know.

Thanks

SOUTHEASTERN ARIZONA WORKFORCE INVESTMENT AREA
FOR
LOCAL GOVERNANCE

AMENDMENT 1

March 7, 2022

This Intergovernmental Agreement, hereinafter, referred to as, "Agreement" is entered into between Cochise County, a body politic and corporate of the State of Arizona (Cochise) and Graham County, a body politic and corporate of the State of Arizona, (Graham) and Greenlee County, a body politic and corporate of the State of Arizona (Greenlee), to establish the fiscal and administrative responsibilities for the ARIZONA@WORK, Southeastern Arizona Workforce Development Board.

Amendment 1 is required to add required language/changes to the Shared Governance Agreement based on a review conducted by the Department of Economic Security (DES) Quality Assurance and Integrity Administration (QAIA) Workforce Innovation and Opportunity Act (WIOA) section in January 2022.

Subject: Firewalls

Finding: The Shared Governance Agreement does not address limiting physical and electronic access to information as part of its explanation of different roles. For example, the fiscal agent's role is not defined by having exclusive access to the financial system.

Resolution: page 9 of the agreement, item 3 Conflict of interest:

Added "and Firewalls" to title of section. Section 3 now reads Conflict of interest **and Firewalls**.

Page 11 of the agreement: Added: **Physical and electronic access will be limited to only the functions and responsibilities assigned to a specific WIOA role.**

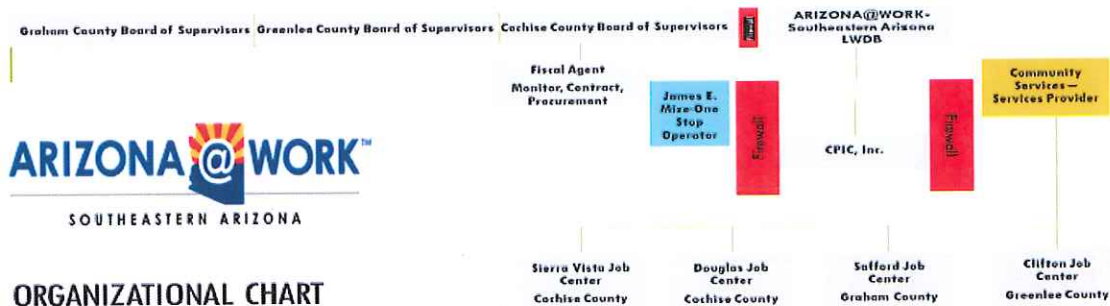
Finding: State Workforce Policy #8 is cited as a general requirement for staff to follow with regards to firewalls and conflict of interest, but State Workforce Policy #1 also requires the Shared Governance Agreement to include an explanation of its firewalls in part by detailing individual roles and responsibilities within the agreement itself. An explanation of roles is part of compliance with firewall inclusion requirements. Which provisions must be included in the firewalls are defined in State Workforce Policy #8.

SOUTHEASTERN ARIZONA WORKFORCE INVESTMENT AREA FOR LOCAL GOVERNANCE
AMENDMENT 1

page two

Resolution: page 11 and 12 of the agreement, item 3 Conflict of Interest: Added the following language:

The LWDB's organizational chart details the firewalls in place as required by State Workforce Policy #8:



ARIZONA@WORK-Southeastern Arizona has an intergovernmental agreement with Cochise, Graham and Greenlee counties. Cochise County through the three Board of Supervisors has been designated as grant recipient for the Consortium. Cochise County is designated as Fiscal Agent. Cochise County monitors, contract and does procurement for the LWDB.

The One-Stop Operator is procured and contracted by Cochise County on behalf of ARIZONA@WORK. The One-Stop Operator will manage all aspects of the integrated service delivery coordination to foster partnerships to promote Center function as a multi-agency team and ensure seamless services to customers. The One Stop Operator reports directly to the Local Workforce Development Board (LWDB).

CPIC, Inc. (Cochise Private Industry Council) is comprised of board staff which report directly to the Local Workforce Development Board (LWDB).

CPIC, Inc. Community Services and the Local Workforce Development Board partnership is set-up for CPIC, Inc. Community Services to provide ARIZONA@WORK-Southeastern Arizona Adult, Dislocated Worker and Youth Workforce Services for Title IB participants in Cochise, Graham and Greenlee counties.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures to this Amendment 1 of the Southeastern Arizona Workforce Development Area Governance Agreement.

COCHISE COUNTY BOARD OF SUPERVIORS:

Ann English, Chairman

Date

ARIZONA@WORK – SOUTHEASTERN ARIZONA WORKFORCE DEVELOPMENT BOARD:

Ron Curtis – President/Chairman

Date

IN WITNESS WHEREOF, the parties hereto have affixed their signatures to this Amendment 1 of the Southeastern Arizona Workforce Development Area Governance Agreement.

GREENEE COUNTY BOARD OF SUPERVISORS:

Richard Lunt, Chairman

Date

ARIZONA@WORK – SOUTHEASTERN ARIZONA WORKFORCE DEVELOPMENT BOARD:

Ron Curtis – President/Chairman

Date

IN WITNESS WHEREOF, the parties hereto have affixed their signatures to this Amendment 1 of the Southeastern Arizona Workforce Development Area Governance Agreement.

GRAHAM COUNTY BOARD OF SUPERVISORS:

Danny Smith, Chairman

Date

ARIZONA@WORK – SOUTHEASTERN ARIZONA WORKFORCE DEVELOPMENT BOARD:

Ron Curtis – President/Chairman

Date

Vada Phelps

#1

From: Tara Smith <tarasmith@azdes.gov>
Sent: Friday, February 25, 2022 3:00 PM
Cc: Vada Phelps; rcurtis@ascu.org; Stacey Faulkner
Subject: Title IA Governance Monitoring Letter- Quarter 1 2022
Attachments: SEAZ Title I-A Findings Letter Q1 2022.pdf; WIOA Title I-A Governance Monitoring Guide.pdf

Good afternoon,

Attached is the monitoring letter for the monitoring conducted during the first quarter of 2022. Also attached is a revised monitoring guide, updated to reflect minor adjustments to the monitoring process.

As a reminder, the document upload and/or review and attestation for the second quarter is due March 31, 2022.

Thank you,

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Tara Smith
Quality Assurance and Integrity Administration
Division of Employment and Rehabilitation Services
1924 E University Dr
Phoenix, AZ 85034
Mail Drop: 5771
Phone: (480) 309-2326

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#2



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Douglas A. Ducey
Governor

Michael Wisehart
Director

February 25, 2022

ARIZONA@WORK- Southeastern Arizona
900 Carmelita Dr
Sierra Vista AZ 85635-1927
(520) 439-3542

RE: FINDINGS

Dear Ms. Phelps,

The Department of Economic Security (DES) Quality Assurance and Integrity Administration (QAIA) Workforce Innovation and Opportunity Act (WIOA) section, conducted case desk audit file reviews for Southeastern Arizona Workforce Development Board in January 2022. The review determined compliance with WIOA Title I-A Governance requirements. Please note this review did not include an audit of the most recent One Stop Operator certification process, but subsequent audits will include these documents.

Based on the review conducted, the Southeastern Arizona Workforce Development Board will be required to reply to the following finding (s) by April 8, 2022:

Findings

Document	Shared Governance Agreement
Subject	Firewalls
Finding	<ul style="list-style-type: none"> The Shared Governance Agreement does not address limiting physical and electronic access to information as part of its explanation of different roles. For example, the fiscal agent's role is not defined by having exclusive access to the financial system. State Workforce Policy #8 is cited as a general requirement for staff to follow with regards to firewalls and conflict of interest, but State Workforce Policy #1 also requires the Shared Governance Agreement to include an explanation of its firewalls in part by detailing individual roles and responsibilities within the agreement itself. An explanation of roles is part of compliance with firewall inclusion requirements. Which provisions must be included in the firewalls are defined in State Workforce Policy #8.
Recommendation	<ul style="list-style-type: none"> Expand discussion of roles to include access to information as outlined in Workforce Arizona Council WIOA Conflict of Interest Policy Section IV§(B)(5).



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Douglas A. Ducey
Governor

Michael Wisehart
Director

Policy	Workforce Arizona Council WIOA Local Governance Policy Section IV§(A)(2)(a); Workforce Arizona Council WIOA Conflict of Interest Policy Section IV§(B)
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If you have any questions, feel free to contact me directly at (480) 309-2326 or tarasmith@azdes.gov.

Sincerely,

Tara Smith
WIOA Title I-A Governance Auditor
Quality Assurance & Integrity Administration

Cc: Jacqueline Butera, Quality Assurance & Integrity Administrator
Stacey Faulkner, WIOA Manager

#3

Vada Phelps

From: Vada Phelps
Sent: Tuesday, March 01, 2022 1:16 PM
To: Tara Smith
Cc: rcurtis@ascu.org; Stacey Faulkner; Vickie Simmons
Subject: RE: Title IA Governance Monitoring Letter- Quarter 1 2022
Attachments: Shared Governance Agreement Revised 03.01.2022.docx

Good Afternoon,

Attached is the revised Title 1A Governance Agreement as required.

Please let us know if this works.

Thanks



Vada Phelps
Executive Director
900 Carmelita Drive
Sierra Vista, AZ 85635
Office: (520) 439-3542
vp Phelps@cpic-cas.org
ARIZONAatWORK.com/southeasternaz

From: Tara Smith <tarasmith@azdes.gov>
Sent: Friday, February 25, 2022 3:00 PM
Cc: Vada Phelps <vp Phelps@cpic-cas.org>; rcurtis@ascu.org; Stacey Faulkner <staceyfaulkner@azdes.gov>
Subject: Title IA Governance Monitoring Letter- Quarter 1 2022

Good afternoon,

Attached is the monitoring letter for the monitoring conducted during the first quarter of 2022. Also attached is a revised monitoring guide, updated to reflect minor adjustments to the monitoring process.

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Thank you,

--
Tara Smith
Quality Assurance and Integrity Administration
Division of Employment and Rehabilitation Services

#4

SOUTHEASTERN ARIZONA WORKFORCE INVESTMENT AREA FOR LOCAL GOVERNANCE

This Intergovernmental Agreement, hereinafter, referred to as, "Agreement" is entered into between Cochise County, a body politic and corporate of the State of Arizona (Cochise) and Graham County, a body politic and corporate of the State of Arizona, (Graham) and Greenlee County, a body politic and corporate of the State of Arizona (Greenlee), to establish the fiscal and administrative responsibilities for the ARIZONA@WORK, Southeastern Arizona Workforce Development hereinafter referred to as "SAWD". This agreement outlines the terms and conditions under which the Consortium members shall govern and administer job training services in the aforementioned counties under Title II of the Workforce Innovation and Opportunity Act (WIOA) of 2014.

WHEREAS, the Workforce Innovation and Opportunity Act (WIOA) of 2014 and WIOA Regulations were developed to implement the WIOA, and authorize the expenditure of federal funds for job training programs in locally determined Workforce Areas; and

WHEREAS, Cochise, Graham and Greenlee County Boards of Supervisors, respectively hereby establish as a local workforce area for the purpose of administering WIOA funds and services; and

THEREFORE, in consideration of the agreement of the parties hereinafter set forth, the Counties agree to the following:

1. Liability of funds:

Cochise, Graham and Greenlee Counties, through their Boards of Supervisors, respectively approve the designation of Cochise County as Grant Recipient for the Consortium, with liability for said funds as noted in WIOA 107(d) (12) (B) (I) (I)) as required under 20 CFR Part 667.705, the Cochise County Board of Supervisors as Chief Elected Officials are liable in their official capacity and are not personally liable for misuse of WIOA funds.

2. Grant and fiscal agent recipient and signatory:

Cochise, Graham and Greenlee Counties, through their Boards of Supervisors, respectively approve the designation of Cochise County as Grant Recipient for Consortium, with liability for said funds, as required by WIOA 107(d)(12)(B)(I)(I).

It is acknowledged by Graham and Greenlee Counties through their respective Boards of Supervisors, that Cochise County has been selected and approved the designation of ARIZONA@WORK, Southeastern Arizona Workforce Development (SAWD), as

Administrative Entity for the Consortium with liability for the administration as outlined in WIOA 107 d)(12)(B)(I)(II) and 20 CFR 679.420. The Chairman of the Cochise County Board of Supervisors as part of his/her authority will be the designated signatory authority.

3. Fiscal agent designation:

Cochise County and SAWD shall establish fiscal control and fund accounting procedures as necessary to assure the proper disbursement of, and accounting for, federal funds allocated to all programs and said procedures shall ensure that all financial transactions carried out are conducted and records maintained in accordance with generally accepted accounting principles. SAWD shall comply with all applicable uniform accounting principles and administrative requirements for grants and agreements, included in the appropriate circulars and rules as promulgated by the Federal Office of Management and Budget, United States Department of Labor and the State of Arizona, Department of Economic Security, as applicable.

4. Local Board budget approval:

The SAWD will present the annual budget to the consortium for review and recommendations as required under WIOA 107(d) (12) (A) and 20 CFR 679.370(0) for carrying out the duties of the Local Board. The SAWD will approve an annual budget developed by SAWD for all Title I activities, including administrative and operational activities, for the purpose of carrying out the duties of the SAWD. The budget will be based on the annual WIOA allocation received by SAWD. The SAWD will approve the annual budget and forward to the Chief Elected Official (Cochise County Board of Supervisors).

5. Participating chief elected officials:

Cochise County, through SAWD, shall establish and maintain a Local Workforce Development Board, representative of the Consortium and as required by the Act, for the purpose of advising and consenting to the operations of the SAWD and otherwise providing oversight to the provision of WIOA Services. The Local Board shall consist of the members as required by the WIOA law.

Upon receiving, a selection of choices from SAWD Members for the Consortium as required by the Act shall appoint members.

6. Amendment or change to the elected official agreement:

The agreement will be changed or amendments will be added upon agreement of all parties in writing as necessary including how an election may affect this existing agreement. All amendments or changes will be maintained at the local administrative entity office and available for monitoring.

The effective date of this agreement shall be upon signature by all parties to the agreement, whichever occurs first. This agreement is annually and automatically

reviewed for an indefinite duration, or until such time that, a member should decide to terminate its membership. Any member may withdraw by giving 180 days written notice to Cochise County, SAWD and other members of the Consortium. In such cases, all pertinent terms of the agreement shall continue in effect for the remaining members.

Cochise County shall continue as the Grant Recipient for an indefinite period, or until all parties to the Agreement, which the other's concurrence, determine to modify the agreement.

ARIZONA@WORK SOUTHEASTERN ARIZONA shall continue as the Administrative entity for an indefinite period or until all parties to the agreement, with the other's concurrence, determine to modify the agreement.

Modifications to this Agreement shall be written amendments and signed by all parties.

7. Designation of a chief lead elected official:

The Chairmen of the Boards of Supervisors are liable for all WIOA Title 1B funds in the local area, and required to approve or provide guidance on the Local Board Activities and will act on behalf of the other Supervisors.

The Chairman of the Cochise County Board of Supervisors is the individual selected by the participating Boards of Supervisors who may act on their behalf for the three County area.

8. Local Board member representation:

The SAWD will assist the Chairman of the Cochise County Board of Supervisors to ensure Local Board representation is fair and equitable across the local area.

- A. Majority Local Business Representatives (more than 50%)
- B. Labor and apprenticeship required Community Based Organizations and other youth-related optional (20% min.)
- C. Education and Training — Title II and high education required — Local education and Community Based Organizations helping barrier individuals (optional)
- D. Government, Economic and Community Development — Eco/Dev, Wagner Peyser and Vocational Rehabilitation required; philanthropic and others optional.

The nominating organization will submit a document or letter to the Board of Supervisors signed by the Chief Operation Officer or his designated staff identifying the individual to be nominated and acknowledge the nominee's optimum policy making authority or as identified by job title, including a resume or work history.

The Board of Supervisors will advise the nominee and SAWD by letter of the appointment.

The appointed Board Member will advise SAWD and resign if they no longer hold the position that made them eligible.

9. Communication:

Periodically, the SAWD will develop a Strategic Plan with regard to the administration of WIOA services within the Consortium as may be required by either the Arizona Department of Economic Security (DES) WIOA Administration and/or the Governor's County on Workforce Policy. Upon completion of the Strategic Plan and prior to submittal to DES, the SAWD will provide a copy of the plan for review by the respective Board- of Supervisors for all counties in the Consortium. Graham and Greenlee Counties may then submit a letter of recommendation for approval or submit recommendations for revision. Final approval of the plan shall require approval of counties in the Consortium by their respective Boards of Supervisors.

The Local Boards and Board of Supervisors will meet once a year as possible.

Cochise County, through its Administrative entity, SAWD, shall develop programs, services and budgets for all member counties of the Consortium within the constraints of WIOA, inclusive of Adult, Youth and Dislocated Worker Services. SAWD shall ensure the delivery of effective programs that provide the most beneficial mix of services to eligible residents and private or public employers within the Consortium.

Contact persons for the member counties and SAWD, under this agreement are as follows:

County Administrators:

Richard G. Karwaczka, Cochise County Administrator
1415 Melody Lane, Bisbee AZ 85603

Dustin Welker, Graham County Manager
921 Thatcher Blvd., Safford, AZ 85546

Derek Rapier, Greenlee County Manager
P.O. Box 908, Clifton, AZ 85533

Vada Phelps, SAWD Executive Director
900 Carmelita Drive, Sierra Vista, AZ 85635

ANNUAL REPORT AND AUDITS:

SAWD shall provide an Annual Report at the end of each program year to each of the respective member counties inclusive of the following information, or on a per County basis:

*the location of the local SAWD offices.

*Number of Adult, Youth and Dislocated Worker Participants that were registered, served and exited during each program year.

*The number of Summer Youth Participants that were served each summer and the location where they accomplished a work experience component.

*The overall number of residents served in the local One Stop Office that were not registered as Participants.

*The amount of funding that was expended specifically within each county for provision of WIOA services.

The Annual Report should also include the following information with regard to the overall Consortium:

*Copies of any programmatic or fiscal Quality Assurance and/or Monitoring Reports and Responses that were issued by either DES, WIOA Administration or the U.S. Department of Labor, if any.

*A copy of the annual performance measures report issued by DES Administration that indicates the overall performance of the Consortium.

GOVERNING STATE LAW:

All matters governed by the Agreement shall be subject to the conflict of interest provisions of A.R.S. 38-501 through A.R.S. 38-511, as well as, such other relevant provisions in A.R.S. that are applicable to the planning, implementation and delivery of WIOA services in the Consortium and as contained in the Strategic Plan.

SHARED GOVERNANCE AGREEMENT

1. Local Board Membership

a. Terms

Board appointments shall consist of staggered terms. Such terms are for four-year periods. Upon expiration of an appointee's term of office, subsequent appointments shall be for a four-year term.

b. Nomination

A nomination committee shall be appointed from volunteers of the full board by the President/Chair. At the next meeting of the board, the nomination committee shall present a list of board members that have consented to serve the position of President/Chair, Vice President, Secretary or Treasurer if elected.

The board members present at the meeting that the ballot is submitted shall vote for one board member for President/Chair, one board member for Vice President, one board member for secretary and one board member for Treasurer by raise of hands. The board members receiving the majority of the

votes will be elected to serve in the capacity of the office for which they were elected as stated above, until replaced.

For each position that requires a nomination, the Local Board shall submit to the appointed Chief Elected Officials of the local area, the Chairman of the Cochise County Board of Supervisors, a document or letter signed by the Chief Executive Officer or designee identifying the individual being nominated. The document or letter must also acknowledge the nominee's optimum policymaking authority and include documentation of curriculum vitae, resume or work history supporting the qualification of the nomination.

c. Appointment

Local Board member appointments will be made by the Chairman of the Cochise County Board of Supervisors as Chief Elected Official and submitted to the local administrative entity in a form of a letter evidenced within either minutes of meetings, or other official communication.

d. Change in status

Local Board members who no longer hold the position or status that made them eligible, must resign or be removed by the Chairman of the Cochise County Board of Supervisors as Chief Elected Official immediately upon notification to the Local Board Chair of the change of status as representative of the Board.

e. Mid-term appointments

Local Board members replacing out-going member's mid-term will serve the remainder of the out-going member's term.

f. Vacancies

The Local Board vacancies must be filled within 120 days of the vacancy. The Chairman of the Cochise County Board of Supervisors as Chief Elected Official is authorized to make all reappointments of members. Reappointments must be made with 120 days, of the term expiration. In the event a vacancy cannot be filled within 120 days, the local administrative entity will request a waiver in writing to the Director of the State Workforce Development Board with an explanation of why a vacancy was not filled in the 120-day timeframe and a description of the process underway to fill the vacancy. The local administrative entity will maintain written approval of the waiver request by the Director of the State Workforce Development Board and will be monitored according to the process outlined in their approved waiver request.

g. Removal

The Local Board members will be removed by the Chairman of the Cochise County Board of Supervisors as Chief Elected Official if that member is found to be guilty of one or more of the following offenses: *Fraud in securing an appointment;

- *Neglect of duties required by the board member;
- *Drunkness while performing duties as a board member;
- *Addiction to the use of narcotics or habit-forming drugs;
- *Conviction of a felony or a misdemeanor involving moral turpitude;
- *Documented violation of conflict of interest;
- *Failure to meet Local Board member representative requirements defined in the WIOA and this policy;
- *After three unexcused absences as decided by the Board, that seat will be declared vacant.

The State Administrative Entity reserves the right to conduct an investigation regarding allegations of wrong doing that result in the removal of a board member. The Boards of Supervisors and local workforce board chair will be formally notified in advance of any such investigation and the results.

2. Relationship between chief elected officials and the Local Board

a. Local Plan requirements

The local four-year plan will be developed and submitted to the Governor in partnership between the Boards of Supervisors and the Local Board. The Local Plan shall support the strategy described in the State Plan in accordance with section 102(b) (1) (E) and be consistent with the State Plan. At the end of the first 2-year period of the four-year Local Plan, the Board will review the Local Plan and, in partnership with the Boards of Supervisors, shall prepare and submit modifications to the Local Plan to reflect changes in labor market and economic conditions or any other factor affecting the implementation of the Local Plan.

It will include an analysis of the regional economic conditions, analysis of the knowledge and skills needed to meet the employment need of the employers in the region, an analysis of the workforce in the region, an analysis of the workforce development activities, a description of the Local Board's strategic vision and goals, and a strategy to work with the entities that carry out the core programs to align resources available to the local area, a description of the workforce development system that identified the programs that are included in the system and how the Local Board will work with those entities.

Prior to the date on which the Local Board submits the Local Plan they shall:

- *Make copies of the proposed Local Plan to the public through electronic and other means, including public hearings and local news media. *allow members of the public, including representatives of business, representatives of labor organizations, and representative of education to submit to the board comments on the proposed Local Plan no later than the

end of the 30-day period beginning on the date that the proposed Local Plan is made available,

*include with the Local Plan submitted to the Governor any comments that represent disagreement with the plan.

b. Budget and approval

A budget will be developed in conjunction with the Cochise Board of Supervisors and the annual budget will present to the consortium for review and recommendations as required under WIOA 107(d)(12)(A) and 20 CFR 679.370(0) for the purpose of carrying out the duties of the Local Board. This budget does not include program operations. The approved minutes of the Local Board and the Chairman of the Cochise County Board of Supervisors will be the documentation of approval of the budget.

c. Selection of Operators and providers

A guideline and process has been completed as required by - WIOA 107(d) (10) (A) through (E) and the State Workforce Development Board policy, including the process for getting Chairman of the Cochise County Board of Supervisors agreement on the selections. The process will be completed by Cochise County Procurement office, and approved by the Cochise County Board of Supervisors and signed by the Chairman of the Cochise County Board of Supervisors with the agreement of the SAWD. The performance both of program and of fiscal compliance will be monitored on a quarterly basis, unless it is determined by the fiscal entity to be needed more often, for compliance with contracts. Upon determination of non-compliance the contact may be put into a performance improvement plan or terminated as deemed necessary by the Chairman of the Cochise County Board of Supervisors and the Local Board in accordance with 2 CFR part 200. A yearly audit will be required within 90 days at the end of their fiscal year

d. Youth activities

At this time, the Local Board does not plan to establish a Youth Committee. However, should the Local Board decided to establish a standing youth committee the composition of and appointment procedures will be in accordance with (20 CFR 681.110). Should the board decided not to establish a standing youth committee, the Local Board will carry out its responsibilities for youth activities under the youth formula programs as described by the law.

The Local Board will monitor and evaluate youth activities at their quarterly Board Meetings. Board Staff will address any recommendations, changes or concerns.

e. Program oversight

The Local Board in partnership with the Boards of Supervisors will conduct program oversight responsibilities as outlined in WIOA Secs. 134(c) and (d) for adult and dislocated worker employment and training activities and WIOA Sec. 129(c) for youth workforce investment activities. The Local Board will provide oversight and evaluate quarterly or anytime they deem necessary. The Local Board will report to the Boards of Supervisors on an annual basis the activities of the SAWD goals outlined in the local plan.

Performance Accountability Measures

The Cochise County Board of Supervisors has given authority to SAWD to negotiate and reach agreement on local performance measures with the State of Arizona Department of Economic Security WIOA administrative entity and the Governor. Once SAWD and the WIOA administrative entity have reach agreement the local performance measures will be submitted to the Cochise County Board of Supervisors for approval.

f. Local Board Policy

A policy will be developed with the participation of members of the Local Board and staff. It will be presented to the full Local Board for comment, approval, disapproval, modification including implementation, with notice to the Cochise County Board of Supervisors for their approval in accordance with 20 CFR 679.310 (b)).

The Local Board will ensure the appropriate use and management of the funds provided under Title I-B for the Youth, Adult and Dislocated Worker activities and the local ARIZONA@WORK system including the use and management of the funds to maximize performance outcomes under WIOA 116, by being one of the signatures on all expenditures and receiving a financial and programmatic report from the finance oversite committee and staff. The report will also include a list of all expenditures and a budget report at each board meeting. Alternatively, more often if requested by the Local Board or Chairman of the Cochise County Board of Supervisors.

g. Memorandum of Understanding

A MOU will be developed by all partners for all workforce system programs and presented to the Local Board and will include the Boards of Supervisors, with the understanding between workforce system partners and the Local Board.

3. Conflict of interest and Firewalls

SAWD Board Members shall avoid both conflict of interest and appearance of conflict of interest in the conduct of the Board's business.

SAWD shall follow: Arizona law on Conflict of Interest as set forth in Arizona Revised Statutes, Title 38 — Public Officers and Employees, Chapter 3 — Conduct of Office, Article 4 Section 38-447 and Article 8 Section 38-501-511.

Conflict of Interest is defined as real, apparent and organizational. It refers to circumstances where an individual or an organization the individual represents has competing interest that may affect that person's ability to act objectively and without bias. Where there may be circumstances or actions that have the potential to undermine the impartiality of a person due to a clash between the person's interests and their organizational role, or between competing organizational roles if a person serves in more than one organizational role.

If there is a possibility of a conflict of interest, a written agreement will be included. Conflict of interest and the firewalls are listed in this agreement.

ARIZONA@WORK Southeastern Arizona will evaluate and monitor compliance with the laws and regulations and take prompt and appropriate action when any noncompliance is identified in accordance with Uniform Guidance 2 CFR 200.61 and 200.62 and 20 CFR 683.220.

A Local Board member may not vote on any matter that would provide direct financial benefit to the member or the member's immediate family, or on matters of the provision of services by the member or the entity, the member represents.

A Local Board member must avoid even the appearance of a conflict of interest. Prior to taking office, Local Board members must provide to the Local Board President or Chair a written declaration of the substantial business interest or relationship they or their immediate families have with all businesses or organizations that have received, are currently receiving or are likely to receive contract of funding from the Local Board. Such declarations must be updated annually or within 30 days to reflect any changes in such business interest or relationships. The Local Board must appoint an individual to review the disclosure information in a timely manner and advise the Local Board President or Chair and appropriate members of the potential conflicts.

Prior to a discussion, vote, or decision on any matter before the Local Board, if a member, or a person in the immediate family of such member, has a substantial interest in or relationship to a business entity, organization, or priority that would be affected by any official Local Board action, the member must disclose the nature and extent of the interest or relationship and must abstain from discussion and voting on or in any other way participating in the decision on the matter. All abstentions must be recorded in the minutes of the Local Board meeting and be maintained as part of the official record.

It is the responsibility to the Local Board members to monitor potential conflict of interest and bring it to the Local Board's attention in the event a member does not make a self-declaration.

In order to avoid a conflict of interest, a Local Board must ensure that the Local Board's workforce service providers for WIOA Title 1B adult, dislocated worker and youth programs must not employ or otherwise compensate a current or former Local Board member or Local Board employee or grant recipient who was employed anytime during the previous 12 months.

The Local Board must ensure that the Local Board, its members, or its administrative staff do not directly control the daily activities of its workforce service providers, workforce system partners, or contractors.

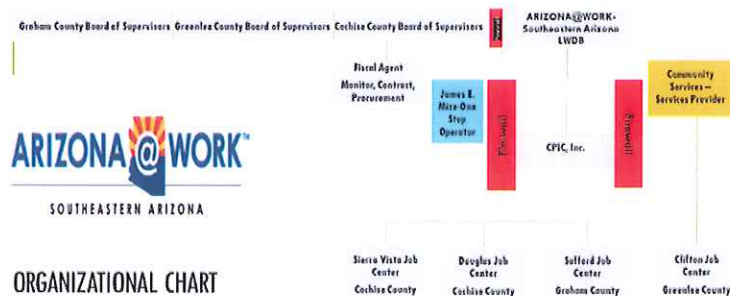
Local Board members or their organizations may receive services as a customer of a local services provider or workforce system partner.

A clear separation of duties will be enforced by the Chairman or President of the Local Workforce Development Board to make sure all firewalls between staff that perform governance functions and operation functions that serve multiple roles in the one-stop service delivery system will be enforced in accordance with the Organizational Chart.

Physical and electronic access will be limited to only the functions and responsibilities assigned to a specific WIOA role.

Only staff performing Fiscal Agent duties may have access to the organization's financial system of record with regard to the funds overseen by the LWDB.

The LWDB's organizational chart details the firewalls in place as required by State Workforce Policy #8:



ARIZONA@WORK-Southeastern Arizona has an intergovernmental agreement with Cochise, Graham and Greenlee counties. Cochise County through the three Board of Supervisors has been designated as grant recipient for the Consortium. Cochise County is designated as Fiscal Agent. Cochise County monitors, contract and does procurement for the LWDB.

The One-Stop Operator is procured and contracted by Cochise County on behalf of ARIZONA@WORK. The One-Stop Operator will manage all aspects of the integrated service delivery coordination to foster partnerships to promote Center function as a multi-agency team and ensure seamless services to customers. The One Stop Operator reports directly to the Local Workforce Development Board (LWDB).

CPIC, Inc. (Cochise Private Industry Council) is comprised of board staff which report directly to the Local Workforce Development Board (LWDB).

CPIC, Inc. Community Services and the Local Workforce Development Board partnership is set-up for CPIC, Inc. Community Services to provide ARIZONA@WORK-Southeastern Arizona Adult, Dislocated Worker and Youth Workforce Services for Title IB participants in Cochise, Graham and Greenlee counties.

4. Authorized Signatures

All the appropriate persons of all partners that will then be submitted to the Local Board will sign the MOO. At that time, the MOU partnership agreement will be signed by the Chairman of the Cochise County Board of Supervisors and by the Local Board chair.

5. Amendments, change or election

The Agreement will be changed or amendments will be added upon agreement of all parties in writing as necessary including how an election may affect this existing agreement. All amendments or changes will be maintained at the local administrative entity office and be available for monitoring.

The effective date of this agreement shall be upon signature by all parties to the agreement, whichever occurs first. This agreement is annually and automatically reviewed for an indefinite duration, or until such time that, a member should decide to terminate its membership. Any member may withdraw by giving 180 days written notice to Cochise County, SAWD and other members of the Consortium. In such cases, all pertinent terms of the agreement shall continue in effect for the remaining members.

Cochise County shall continue as the Grant Recipient for an indefinite period, or until all parties to the Agreement determine to modify the agreement.

The One Stop Operator will be a function of the Cochise County Procurement Office in accordance with their approved policies and procedures to secure professional services.

SAWD will use the policies and procedures included in their finance manual, which depend on the services and costs involved.

ARIZONA@WORK SOUTHEASTERN ARIZONA WORKFORCE DEVELOPMENT BOARD shall continue as the Administrative Entity and Fiscal Agent in partnership with Cochise County Board of Supervisors for an indefinite period or until all parties to the agreement with the other concurrence, determine to modify the agreement.

Modifications to this Agreement shall be written amendments and signed by all parties to the agreement.

6. Communication with Elected Officials

Periodically, the SAWD will develop a Strategic Plan with regard to the administration of WIOA services within the Consortium as may be required by either the Arizona Department of Economic Security (DES), WIOA Administration and/or the Governor's County on Workforce Policy. Upon completion of the Strategic Plan and prior to submittal to DES, the SAWD will provide a copy of the plan for review by the respective Board of Supervisors for all counties in the Consortium. Graham and Greenlee Counties may then submit a letter of recommendation for approval or submit recommendations for revision. The Cochise County Board of Supervisors shall complete final approval of the plan.

The Local Boards and Cochise County Board of Supervisors as Chief Elected Officials will meet once a year, as possible.

Cochise County, through its Administrative Entity, SAWD, shall develop programs, services and budgets for all member counties of the Consortium within the constraints of WIOA, inclusive of Adult, Youth and Dislocated Worker Services. SAWD shall ensure the delivery of effective programs that provide the most beneficial mix of services to eligible residents and private or public employers within the Consortium.

The Cochise County Board of Supervisors shall procure a One Stop Operator using Cochise County Procurement Policies and Procedures.

Contact persons for the member counties and SAWD, under this agreement are as follows:

Richard G. Karwaczka, Cochise County Administrator
1415 Melody Lane, Bisbee AZ 85603

Dustin Welker, Graham County Manager
921 Thatcher Blvd., Safford, AZ 85546

Derek Rapier, Greenlee County Manager
P.O. Box 908, Clifton, AZ 85533

Vada Phelps, AZ@WK SEAZ, Executive Director
900 Carmelita Drive, Sierra Vista, AZ 85635

7. Communication with Public

The Local Board provides information through its web-site, Facebook, posted notices of open meetings, information regarding the activities of the Local Board as required by WIOA 107(e) and 20 CFR 679390, including the following:

- a. Information about the Local Plan, or modification to the Local Plan, before submission of the plan;
- b. List of affiliation of Local Board Members;
- c. Selection of one-stop operators;
- d. Award of grants of contract to eligible providers or workforce development activities;
- e. Minutes of formal Meetings of the Local Board; f. Local Board By-laws.

8. Executive Director & Staff

- a. The Local Board has the authority to hire a director or staff.

9. Use and Management of Funds

- a. The Local Board will ensure the appropriate use of funds and the use of funds to maximize performance outcomes by having all disbursements signed by at least one member of the Executive Board and quarterly written finance and verbal performance reports to the Board. The Finance Committee will review the disbursements and report to the Local Board. The Local Board and Board of Supervisors will receive the annual independent audit. Any findings will be addressed and corrected within a 30-day period.

10. Providers

- a. Providers will be monitored on a quarterly bases for both fiscal and program performance. A quarterly budget report and yearly audit is required to be presented to the staff and LWDB.
- b. Providers that are not performing or are underperforming will be notified and given an opportunity to correct these issues. After two consecutive notices, if the performance is not corrected as required under 20 CFR 679.370, the contract may be withdrawn and a new Request for Proposal (RFP) process completed.

11. Labor Market

1. The Local Board carries out labor market analysis by having access to the Arizona State labor market information, the labor market information provided by Cochise Economic Research Center, and APS reports for Greenlee and Graham Counties. The Local Board is made up of 51% business and they bring their information and expertise to supplement local information.
2. All partners meet several times with each partner writing their part of the plan. Staff of the Local Board took all the pieces and put them into a coherent document. Drafts were presented and everyone's concerns were address and incorporated into the plan.
3. Business Representatives continuously meet with businesses in all three counties to promote business representation, develop effective linkages, ensure that activities meet the needs of employers and support economic growth in the three counties using developed strategies to meet the needs of businesses and job seekers.
4. Representatives from secondary and postsecondary education sit on the Local Board, SAWD will lead efforts to develop and implement career pathways that are needed by adults, dislocated workers and youth by aligning the employment, training, education and supportive services in the local area. Staff and board members sit on several boards representing the Local Board's interests and provide information to members of those boards. The educational entities sit on the Local Board, and bring a lot of information about how the partnerships develop and implement career pathways.
5. The Local Board leads efforts in our three counties to identify and promote proven and promising strategies and initiatives to meet the needs of employers, workers and job seekers by taking the message and delivering information to local service agencies and sitting on various boards and attending meetings. A report will be brought back to the full board.
6. The use of social media and various other technology methods are used to meet the required accessibility of the system for employers and job seekers. All one stop centers have computers and software that is available for both businesses and jobseekers. In each one-stop, there are also staff available to provide services and resources. SAWD will work with partners in the local workforce development area to provide a one door approach to prevent a duplication of services. Technology will be used to give better access to our services in the remote areas of the three counties such as Zoom or Skype. Jobseekers will be introduced to the statewide Arizona Job Connection (AJC) system in order to access available jobs and upload their resume for positions available. Businesses will be introduced to the AJC system to post jobs available and to review resumes of jobseekers available for work and have the job qualifications.
7. The Consortium has negotiated with the Chairman of the Cochise County Board of Supervisors and all required partners for the funding of the infrastructure costs

in accordance with 678.715, which include dollars and in-kind services, so that each entity provides its appropriate share.

8. Under WIOA sec. 107 (d) (10) (E) we will work with the State and any other entity to ensure there are sufficient providers available for our local area. With the Eligible Training Provider List (ETPL), clients have many choices. One-Stops have integrated services for individuals with disabilities. Vocational Rehabilitation services are located in the One-Stops as well as telephones and computers designed for individuals with disabilities.
9. ARIZONA@WORK Southeastern Arizona provides training and information. The Local Board and staff members hold meetings and attend meetings to share information with education and training providers in our local areas. SAWD reviews the WIOA Title II Adult Education grant applications for educational services to ascertain if the grant applications are consistent with the local plan. If recommendations are needed to better align the grant applications for Adult Education educational services SAWD makes those recommendations upon conclusion of the review. SAWD works with education and training providers in the local area to coordinate their services to our clients once approval is obtained from the State ETPL coordinator for inclusion to the ETPL listing.
10. All ARIZONA@WORK Southeastern Arizona One-Stop locations have been monitored and inspected to ensure the physical and programmatic accessibility in accordance with WIOA sec. 188. An employee is designated and inspects each location on an annual basis and is available to anyone desiring to file a complaint. Any complaint is addressed within a 24-hour basis.
11. The State of Arizona and members of the local Board have certified all ARIZONA@WORK Southeastern Arizona locations in accordance with 20 CFR 678.800 and State Workforce Policy #6 (Certification of ARIZONA@WORK Job Centers).

IN WITNESS WHEREOF, the parties hereto have affixed their signature to this Agreement
Southeastern Arizona Workforce Development Area Governance Agreement

titled
and Cochise,

Greenlee and Graham Counties.

COCHISE COUNTY BOARD OF SUPERVISORS:



Thomas E. Borer, Chairperson 12-15-2020
DATE

ARIZONA@WORK - SOUTHEASTERN ARIZONA WORKFORCE DEVELOPMENT:



RON CURTIS - PRESIDENT/CHAIRMAN 12-17-2020
DATE
title
d and Cochise,

Greenlee and Graham Counties.

GREENLEE COUNTY BOARD OF SUPERVISORS:



12-8-2020

IN WITNESS WHEREOF, the parties hereto have affixed their signature to this Agreement
Southeastern Arizona Workforce Development Area Governance Agreement

Chairperson

DATE

ARIZONA@WORK - SOUTHEASTERN ARIZONA WORKFORCE DEVELOPMENT:

Ron Curtis

12-17-2020

RON CURTIS - PRESIDENT/CHAIRMAN DATE titled between Cochise
Private Industry Council and Cochise, Greenlee and Graham Counties.

GRAHAM COUNTY BOARD OF SUPERVISORS:

Ron Curtis

12-23-2020

Chairperson

DATE

ARIZONA@WORK - SOUTHEASTERN ARIZONA WORKFORCE DEVELOPMENT:

Ron Curtis

12-23-2020

RON CURTIS - PRESIDENT/CHAIRMAN

DATE

IN WITNESS WHEREOF, the parties hereto have affixed their signature to this Agreement
Southeastern Arizona Workforce Development Area Governance Agreement

IN WITNESS WHEREOF, the parties hereto have affixed their signature to this Agreement
titled Southeastern Arizona Workforce Development Area Governance Agreement
between Cochise Private Industry Council and Cochise, Greenlee and Graham Counties.

#5

Vada Phelps

From: Tara Smith <tarasmith@azdes.gov>
Sent: Friday, March 04, 2022 1:58 PM
To: Vada Phelps
Subject: Re: Title IA Governance Monitoring Letter- Quarter 1 2022

Good afternoon,

Do you have an approximate timeline for Board approval on the revisions? I am drafting a closure letter for the findings pending the approval.

Thank you,

Tara

On Tue, Mar 1, 2022 at 3:49 PM Tara Smith <tarasmith@azdes.gov> wrote:
Thank you, I will follow up soon.

On Tue, Mar 1, 2022 at 1:16 PM Vada Phelps <vphelps@cpic-cas.org> wrote:

Good Afternoon,

Attached is the revised Title 1A Governance Agreement as required.

Please let us know if this works.

Thanks



Vada Phelps
Executive Director
900 Carmelita Drive
Sierra Vista, AZ 85635
Office: (520) 439-3542
vphelps@cpic-cas.org
ARIZONAatWORK.com/southeasternaz

Vada Phelps

#6

From: Tara Smith <tarasmith@azdes.gov>
Sent: Monday, March 07, 2022 12:06 PM
To: Vada Phelps
Subject: Re: Title IA Governance Monitoring Letter- Quarter 1 2022

No problem. I just wanted an approximate timeline to include in my closing letter. Thank you for the information.

Tara

On Mon, Mar 7, 2022 at 8:51 AM Vada Phelps <vphelps@cpic-cas.org> wrote:

Good Morning again, Tara,

I just realized that these changes need to be approved by all three of my board of supervisors. The Workforce board can approve on March 17th. However according to the document at the bottom of page 2 it says "The agreement will be changed or amendments will be added upon agreement of all parties in writing as necessary including how an election may affect this existing agreement" the 3 boards of supervisors will take approximately three to five months – to get through their attorneys and get on a board agenda.

I can send you a copy of the board minutes from my board – but until they approve I can not send to the 3 board of supervisors. So, I will be able to send to Cochise, Greenlee and Graham boards by the end of March. I expect to have a signed agreement sometime between June and September 2022.

Thanks



Vada Phelps

Executive Director

900 Carmelita Drive
Sierra Vista, AZ 85635
Office: (520) 439-3542

vphelps@cpic-cas.org

ARIZONAatWORK.com/southeasternaz

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To: Vada Phelps <vphelps@cpic-cas.org>
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Thank you,

Tara

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Attached is the revised Title 1A Governance Agreement as required.

Please let us know if this works.

Thanks



Vada Phelps
Executive Director

900 Carmelita Drive
Sierra Vista, AZ 85635
Office: (520) 439-3542
vphelps@cpic-cas.org
ARIZONAatWORK.com/southeasternaz

From: Tara Smith <tarasmith@azdes.gov>
Sent: Friday, February 25, 2022 3:00 PM
Cc: Vada Phelps <vphelps@cpic-cas.org>; rcurtis@ascu.org; Stacey Faulkner <staceyfaulkner@azdes.gov>
Subject: Title IA Governance Monitoring Letter- Quarter 1 2022

Good afternoon,

Attached is the monitoring letter for the monitoring conducted during the first quarter of 2022. Also attached is a revised monitoring guide, updated to reflect minor adjustments to the monitoring process.

As a reminder, the document upload and/or review and attestation for the second quarter is due March 31, 2022.

Thank you,

--

Tara Smith

Quality Assurance and Integrity Administration
Division of Employment and Rehabilitation Services
1924 E University Dr
Phoenix, AZ 85034



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Douglas A. Ducey
Governor

Michael Wisehart
Director

March 11, 2022

Executive Director Vada Phelps
ARIZONA@WORK- Southeastern Arizona
900 Carmelita Dr
Sierra Vista AZ 85635-1927
(520) 439-3542

RE: FINDINGS

Dear Executive Director Phelps,

This is in reference to the Quarter 1 Title I-A Governance Monitoring Report issued February 25, 2021.

We have received adequate documentation with regards to the Shared Governance Agreement finding on the subject of firewalls. A revised Shared Governance Agreement was shared with the Auditor addressing role definition and an expanded narrative description of firewalls. It is anticipated the LWDB will approve these changes on March 17, 2022 with full Board of Supervisors approval to take place sometime between June and September 2022.

The finding is resolved. With the receipt of this letter, please be advised that the first quarter review is considered closed with the anticipation that a new finalized document will be uploaded once approved.

If you have any questions, feel free to contact me directly at (480) 309-2326 or tarasmith@azdes.gov.

Sincerely,

Tara Smith
WIOA Title I-A Governance Auditor
Quality Assurance & Integrity Administration

Cc: Jacqueline Butera, Quality Assurance & Integrity Administrator
Stacey Faulkner, WIOA Manager