



Board Meeting Minutes

DRAFT until 3.26.2020.

1/28/2020 2:00 pm

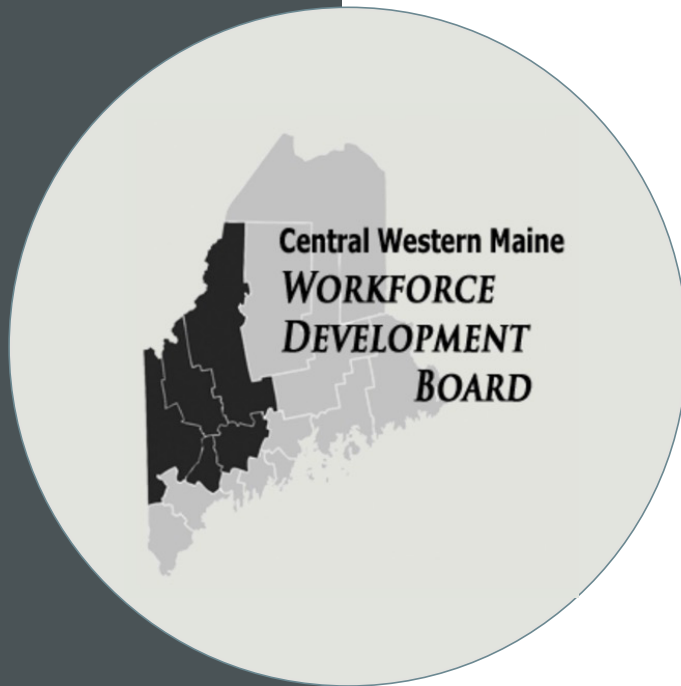
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MEP, 87 Winthrop Street, Augusta, Maine

1. The meeting was called to order at 2:04 pm. The previous meeting minutes were postponed pending third-party transcription. A quorum of the board was declared by 2.
2. Mr. Craig Nelson, Chair. Mr. Nelson performed introductions and a roll call in the room and on the telephone.
3. ***ACTION Transfer of Funds from Dislocated Worker to Adult*** - A motion was made, and seconded, passing unanimously - for the Transfer of Funds from the Dislocated Worker to the Adult Program, in an amount up to \$80,000. Mr. James Trundy, WMCA representative and CWMWDB Executive Board member, explained the item.
4. ***A State requested timeline*** of major events for the next 7 months was reviewed (attached), along with a draft RFP schedule. The items were discussed.
5. ***Performance Report*** - Mr. James Trundy also gave recent preliminary performance numbers showing good MDOL results for long term employment retention.
6. ***ACTION Appointment of William Tracy*** - The CWMWD Board ratified the appointment of William Tracy as a member by the Chief Local Elected Officials.
7. ***Conflict of interest policy and Procurement policy*** - The Board discussed the suggested Conflict of interest policy and Procurement policy, which feature both WIOA and public charity (not for profit) compliance. Mr. Nelson explained there are benefits to having 501(c)3 status.
 - a. ***ACTION Conflict of interest policy & disclosure form*** - A motion was made, and seconded, the item passing unanimously.
 - b. ***ACTION Procurement policy*** - A motion was made, and seconded, the item passing unanimously.

Meeting adjourned.



Revised Timeline

*First Proposed at Executive Committee Meeting
November 21, 2019 and discussed at January 22,
2020*



Calendar Item

JAN 2020 - FEB 2020

- Certification of One-Stop (using US DOL Workforce GPS Toolkit)
- Annual assessment of program and physical accessibility of one-stops

COMPLETE (*report pending*)

FEB 2020-APR 2020

- One-Stop Operator Procurement (draft, to be decided by VC)
- Youth Services Procurement (draft, to be decided by VC)

APR 2020

- One-Stop Certification Methodology Adopted

APR 2020 – JUL 2020

- Review and Modification of 4 year plan



Annual Assessment

Program Accessibility Of One-Stops

Program Accessibility

The One Stop Comprehensive Career Center 5 Mollison Way, Lewiston, Maine

- *Visual Tools, Sound Equipment, Tactile touch keyboards, Multi Language Option, Self Service and Assisted Learning with staff*
- *verified 5 Mollison Way, Lewiston, Maine on 1/16/2020, 12/24/2020*



Annual Assessment

Program Accessibility Of One-Stops

Program Accessibility

MaineJobLink @The One Stop Center

- *Visual, Sound, Tactile, Language, Self Service and Assisted Communication Modes – Online*
- *Verified on 10/15/2020, 12/24/2020, 1/16/2020 (report pending, ten business days)*



Physical Accessibility*

One Stop Center – 5 Mollison Way, Lewiston

- **Affiliate Site – Augusta Career Center**
- **Affiliate Site – Oxford County**
- **Affiliate Site(s) – Mobile/Remote Services**

- *verified 10/17/19, 12/24/19, 1/16/2020*

**report pending ten days*



RFP Process & Schedule

10/01/19		Selection Committee Recruitment Complete
11/01/19		Requests for Proposals – must be on the State templates
01/06/19		<i>Conflict of Interest Policy, Conflict Disclosure, Procurement Policy drafts</i>
01/31/2020	Friday	Draft Under Review by RFP Chair (VC)
02/21/2020	Friday	RFP(s) Released <i>or alternate date to be decided</i>
03/12//2020	Thursday	Bidder Conference Online – Optional
03/19//2020	Thursday	Questions Deadline
03/24/2020	Tuesday	Answers Posted – Final
03/20/2020	Friday	Letter of Intent to Bid Due
04/03/2020	Friday	Proposal Deadline all RFPs
04/2020		Selection Committee Meeting <i>– second, third week of April proposed, to be decided</i>
04/24/2020		Decision Announced



Board Nomination Packet

Application with Recommended Items by the Maine Attorney and status update

1. Board Two Year Term Application
2. Conflict of Interest Policy & Acknowledgement Form based on State Policy PY05-07 *Revised 1/27/2020*
3. [Guide for Board Members of Charitable Corporations](#) from Office of the Maine Attorney General with recommended items
 - a. Applications for **charity** Status under 501c3 170a
 - b. IRS Determination for 65-1192940
 - c. Articles of Incorporation
 - d. By-laws (forth coming)
 - e. WIOA Guide (forth coming from Workforce GPS/USDOL)
4. Procurement Policy



Board Two Year Term Application

Form as of 01/28/2020

1. First Name _____
2. Last Name _____
3. Employment Title _____
4. Employment Organization _____
5. Email address1 _____
6. Email address2 _____
7. Office phone number _____
8. I am (Check all that apply please)
 - ☐ CEO, COO, CFO or other C- Suite Rep such as SVP or VP, List title: _____
 - ☐ HR Director
 - ☐ CBO* Workforce Director or State Department of Labor Director
 - ☐ Economic Development Professional - Private Sector
 - ☐ CBO - Barriers to employment expertise
 - ☐ Adult Education Provider
 - ☐ Institution of higher education - Workforce activities
 - ☐ CBO ETA or EDU ETA provider
 - ☐ Philanthropic Organization Representative
 - ☐ Transportation, Housing, Public Assistance Representative
 - ☐ Other Individual Nominated Directly by CEO Chair
 - ☐ Economic and Community Development Representative
 - ☐ State Labor Exchange Office Professional
 - ☐ Representative-Title 1 Rehabilitation Act 1973 Program
 - ☐ Other (Describe Below in Question 9
9. Describe any "Other" response in Question 8 Type "None"otherwise.



**Board Nomination
Application**
every two years

10. I will learn relevant Federal, State and Local Policies that guide membership.

YES

11. I am a business person. I will provide a recommendation from a chamber of commerce. YES

Does Not Apply

12. I am a labor representative. I will provide a recommendation from a labor organization. YES

Does Not Apply

13. I will read and submit the required Conflict of Interest Disclosure Form.

YES

14. I would like to be an officer.

15. Signature - by typing your name below, you consent to electronic submission and signature
digitally



77 Winthrop Street
Augusta, Maine 04330
207-241-4100
cwmwdb.com/LocalPolicies

Policy Number:	2020-1
Subject of Policy:	Conflict of Interest
WIOA Citation:	WIOA Public Law 113-128 enacted July 22, 2014 TEGL 27-14 WIOA §§ 101(f) s 102(b)(E)(i) s 107(h) s121 (d)(4)(A) NPRMs 20 CFR §§ 679.430 s683.200 (c)(5) & (g) & (h) 2 CFR 200.112 & 200.318
Prior Policy:	This is a new policy;
Action:	Approve this policy to satisfy State and Federal regulations.
Effective Date:	January 31, 2019

FEDERAL POLICY

2 CFR 200.211 & 2CFR 200.318 is Local Board Policy. (attached)

26 CFR 1.501(c)3-1 is Local Board Policy. (attached)

STATE POLICY

PY15-07 Conflict of interest is Local Board Policy. (attached)

MRS Title 13-B, §718 is Local Board Policy. (attached)

Maine Attorney General Guide to Charitable Corporations (attached)

PURPOSE

This purpose of this policy is to satisfy requirements of both Maine's Workforce Development System, and its public charity operation requirements. This policy is intended to supplement but not replace any applicable State or Federal laws governing conflict of interest.

BACKGROUND

The integrity of, and public trust in, Maine's one-stop delivery system relies on the good character of all entities entrusted with funds and responsibility for guiding, overseeing, and/or delivering services. It is incumbent upon those in such positions to avoid even the perceived appearance of conflict of interest. This guidance is to safeguard that any individual with decision-making capacity will not engage in any activity for which a conflict of interest (real, implied, apparent, or potential) is involved. This includes decisions involving the selection, award, or administration of grants, subgrants, or contracts, or any parts thereof, that are supported by Federal or State funds.



POLICY

Board and Committee Members:

No State or Local Board member, or standing committee member shall cast a vote on, nor participate in any decision-making capacity, on the provision of services by such member (or any organization that member directly represents), nor on any matter which would provide any direct financial or personal benefit to that member or a member of his/her immediate family. In such instances, a board member shall abstain from voting. The abstention must be reflected in the official minutes of the meeting. Neither membership on such board or standing committee, nor the receipt of WIOA funds to provide training and related services by itself violates these conflict of interest provisions.

Board and committee members, chief elected officials and staff must be informed of and educated about situations that could be perceived as a conflict of interest and the requirements of this policy and must sign a statement affirming their understanding of these requirements and their agreement to formally disclose any potential conflict of interest while performing their duties.

Awardees/Contractors/One-Stop Operators

Awardees, contractors, and grant recipients of WIOA funds must disclose, in writing, any potential conflict of interest, including any conflict of interest arising from the relationships of the one-stop operator with any particular training service provider or other service provider.

Staff Members:

State Agency or Service Provider staff members serving in a case management capacity, must not enroll, case manage, or otherwise work directly with family members as participants, applicants, or registrants. When a family member is in need of services, he or she must be assigned to a different caseworker/case manager (preferably at a different service site) to avoid any real or perceived conflict of interest. Family includes any staff members' spouse, parents, children, brothers or sisters and spouses of such parents, children, brothers or sisters.

Duty to Disclose:

Any individual subject to this policy who suspects that his or her personal or financial advantage may be considered a conflict of interest, real or perceived, must disclose all material facts to the appropriate director and/or members of the relevant board or committee or appropriate agency manager. If the facts demonstrate that a real or perceived conflict of interest exists, the director, board chair or agency manager may require that the individual recuse him or herself from involvement in, or discussion or vote on, the matter at hand and will ensure that such recusal is documented in the official minutes of the meeting or other pertinent agency document file.



Multiple Roles

Local organizations often function simultaneously in a variety of roles, including local fiscal agent, local board staff, one-stop operator, and direct provider of career services or training services. Any organization that has been selected or otherwise designated to perform more than one of these functions must develop a written agreement with the Local Board and Chief Elected Official that clarifies how it will carry out its responsibilities while demonstrating compliance with WIOA regulations, relevant OMB circulars, and this conflict of interest policy.

Nepotism

Nepotism is the practice among those with power or influence of favoring relatives and friends by giving them jobs. NPRM 20 CFR 683.200(g) states that: "No individual may be placed in a WIOA employment activity if a member of that person's immediate family is directly supervised by or directly supervises that individual. To the extent that a local requirement regarding Nepotism is more restrictive than this provision the local requirement must be followed."

Competitive Selection/ Procurement

As required under 2 CFR 200.318, entities authorized to award contracts on a competitive basis must maintain written standards of conduct covering conflicts of interest and governing the activities of its employees and/or members engaged in the selection, award or administration of a contract funded with Federal funds.

No employee, officer or agent may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such conflict arises when the employee, officer, or agent or any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties, has a financial or other interest in or gains a tangible personal benefit from such contract.

Entities with decision making authority over WIOA funds, State and local entities from all four core partners must not solicit or personally accept gratuities, favors, or anything of monetary value from any actual or potential contractor, subgrantee, vendor or participant. However, entities may set standards for situations in which the financial interest is not substantial, the consideration is not related to the procurement activity, and/or the gift is an unsolicited item of nominal value. Entities or members knowingly violating this policy may be subject to disciplinary action that may range from formal reprimand, to dismissal and, depending upon degree of violation, debarment, suspension or termination of awardee status.

Mandatory Disclosure:

All recipients of Federal awards must disclose, as required under 2 CFR 200.113, in a timely manner, in writing to the awarding agency or pass-through entity, any and all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the

Federal award. Failure to make required disclosures can result in temporary withholding of cash payments, disallowed costs, suspension or termination of the award, and other remedies for non-compliance including suspension and debarment.

Local Board Policy Requirements:

This conflict of interest policy meets these above requirements. This policy requires that each board member and chief elected official sign a conflict of interest form, that is dated and that affirms their understanding of an agreement to the requirement to formally disclose any potential conflict of interest and to abstain from voting or participating in the selection or awarding of contracts and amendments to contracts to service providers should such conflict of interest, perceived or real, be evident. This includes alterations to the financial terms of any contracts with a service provider.

Perceived Conflict of Interest is the one and the same as Conflict of Interest

It is incumbent upon Local Board members, CLEOs, and staff to avoid even the perceived appearance of conflict of interest. This guidance is to safeguard that any individual with decision-making capacity will not engage in any activity for which a conflict of interest (real, implied, apparent, or potential) is involved.

If such a conflict is declared or perceived and reasonably documented, a Board member shall abstain from voting on items, leave the room during discussion, and not influence members of the Board or CLEOs as is the spirit of Sunshine proceedings through any method of communication or influence including via social media, texting, telephone calls or emails. Board members, CLEOs and staff may provide reasonable documentation to communicate their agreement or disagreement of the conflict of interest.

Influence is defined as “to sway or affect based on prestige, wealth, ability, or position” by means which “operates without any direct or apparent effort”.¹ It has also been called “the capacity or power of persons or things to be a compelling force on or produce effects on the actions, behavior, opinions, etc., of others”.²

Disciplinary Actions - WIOA

2 CRF 200.318 calls for written standards of conduct covering conflicts of interest and governing the actions of its employees, officers and agents engaged in the selection, award and administration of contracts. It also requires provisions for disciplinary actions to be applied

¹ American Heritage Dictionary. (Dec 15, 2019), Definition of “influence,” <https://ahdictionary.com/word/search.html?q=influence&submit.x=44&submit.y=11>

² Dictionary.com. (Dec 15, 2019), Definition of “influence,” <https://www.dictionary.com/browse/influence?s=t>



for violations of conflict of interest or governance standards by officers, employees, or agents of CWMWDB.

This Local Policy includes the required disciplinary provisions: The procedures for such individual and unusual circumstances are at the discretion of the CLEOs, who may further give such authority to the full Board.

Maine Attorney General Says– Look Out for Conflict of Interest

As a board member, you have a duty to act in the interest of the corporation. Board members must avoid transactions in which they or their family members benefit personally, unless such transactions are fair to the corporation and approved by the full board.

The board of directors may approve (before or after the fact) transactions which are fair to the corporation, even if a member has a personal interest, if the other board members know of that interest and the details of the transaction. Such approval requires a vote by a majority of the board members who have no direct or indirect interest.

If the board is unable to make a decision regarding a transaction in which a board member has a personal interest, one or more board members may request that the transaction be approved by the Attorney General or by the Superior Court.

The board should consider adopting a conflict of interest policy to help guide decision making when faced with conflict issues.

Because the interests of the organization as a whole are paramount, Maine law requires that no more than 49% of the individuals on the board of directors may be "financially interested persons."

An individual who has received or is entitled to receive compensation for personal services rendered to the corporation by that individual within the previous 12 months is a financially interested person. The spouse, brother, sister, parent or child of the board member is also considered in determining financial interest.

The board should consider requiring directors to complete annually a disclosure statement listing other organizations or businesses in which they have a personal or financial interest. Finally, on the topic of conflict of interest, Maine law prohibits loans from charitable corporations to its directors or officers.



END

Adopted 1/28/2020 by the CWMWDB and CLEO.



Conflict of Interest Disclosure Form The Central Western Workforce Board

Board Members, Managing Members,
Board Nominees, Service Provider,
Subject to WIOA and 501c (3)

Conflict of Interest Policy Acknowledgement Form based on State Policy PY05-07

ATTESTATION

I have read and understand the Conflict of Interest Policy adopted by The Central Western Maine Workforce Development Board (CWMWDB).

I understand my responsibility as a voting board member or staff member to the board to formally disclose any perceived or real conflict of interest that may arise during my duties as a board member or staff member to the board. I understand that I am not limited to understanding the provisions in this document and that I have made a good faith effort to understand my role's enumerated responsibilities and disclosures under Federal Law, including operating under 501(c)3 of the Tax Code, and I have accepted the role.

Name _____ Title _____

Signature: _____ Date: _____

click above to digitally sign or print and email
to skilroy@cwmwdb.org

ANSWERS TO DISCLOSURE QUESTIONS

1. Are you aware of any relationship or transaction of the CWMWDB which could ultimately benefit or harm financially, directly or indirectly, and who has it. Choose all that apply.

Yourself;

Any member of your immediate family (defined as your spouse, parents, children, brothers, sisters and spouses of these individuals); or

Any organization, private or public, in which **you or an immediate family** member is a director, trustee, officer, **managing member or official representative**

NONE

2. If any answers above are yes (checked) except NONE, please reply with details of such relationships or transactions, including specific information concerning the essential financial terms of any contract or transaction (description of services, duration, consideration, or price) and whether approval of the transaction or ongoing transactions has been obtained from the board of directors. List Below in field.

3. Please fill out completely or indicate "None":

- a. Listed below are all corporations, partnerships or other business entities in which I am a director, officer, member, partner or manager, in which I or any member of my immediate family has a substantial financial interest.

Entity

Position

Self or Family

- b. All other not-for-profit institutions of which I am a trustee, director, or officer which have a substantial likelihood of being harmed or benefited , direct or indirectly, by any action or policy of this board or agency

Entity

Position

- c. All trusts of which I am a trustee, or which benefit me or any member of my immediate family, which have a substantial likelihood of being harmed or benefited by any action or policy of this board or agency.

Entity

Trustee/Beneficiary

Self or Family

Central Western Maine WDB Workforce Development Board

Androscoggin • Franklin • Kennebec • Oxford • Somerset

77 Winthrop Street, Augusta, Maine 04330 www.cwmwdb.org



Guide for Board Members of Charitable Corporations

from [Office of the Maine Attorney General](#)

What is a Charitable Corporation?

All nonprofit corporations in the State of Maine are either "public benefit" or "mutual benefit" corporations. "Public benefit" corporations are organized for charitable purposes and recognized as tax-exempt under section 501(c)(3) of the Internal Revenue Code. While some of the standards described within this pamphlet are applicable to both charitable (public benefit), and mutual benefit corporations, the guidance offered in this pamphlet is for directors of charitable corporations.

Public benefit corporations vary widely in their size and purposes. There must be at least three board members to properly constitute a public benefit corporation. No matter what the size of the board, the majority of the board members must not be financially interested in the organization. This means that most of the board cannot be employed by or have relatives who are employed by the organization. Examples of charitable corporations include volunteer fire departments, social service organizations, colleges and universities, hospitals, museums and youth sports leagues. These organizations operate on an exclusively charitable basis and collect, hold and expend funds solely for the benefit of the public.

Mutual benefit corporations are corporations that benefit their members not the public. They are not subject to the oversight of the Attorney General and include organizations such as homeowners' associations, labor unions and trade associations.

Your Duties as a Board Member

It is your job as a board member to ensure that the organization is faithfully fulfilling its charitable purpose. You and your fellow board members are responsible for governing the organization.

The law imposes two primary duties on board members: the duty of care and the duty of loyalty. The duty of care means that you must act with such care as an ordinarily prudent person would employ in your position. The duty of loyalty means that you must act in the best interests of the organization.

- You should keep copies of and read the organization's articles of incorporation and bylaws.
- You should attend board meetings and meetings of committees on which you serve and actively participate in board discussions.
- You should make sure that complete and accurate records of board activities are kept, including minutes of board and committee meetings and books of account.
- You should carefully read all the materials that you receive, such as minutes, reports and financial statements.

Know the Charitable Corporation's Managers

The board of directors is responsible for overseeing the charitable corporation's managers and setting their compensation.

- As a board member, you should actively participate in selecting and evaluating the organization's executive director or chief executive officer (CEO). The entire board should make the final decision to hire the CEO. Once the CEO is hired, the board should periodically review and assess the CEO's performance.
- A public benefit corporation that **receives at least 25%** of its funding from the government and compensates any officer or director more than \$250,000 annually must publish that information publicly.

The process for setting the CEO's compensation, the amount of such compensation, and the terms of such compensation should be approved by the entire board and should be sensitive to public concerns.

- Not all charitable corporations have an executive director or CEO. Board members of charitable corporations without an executive director or CEO should be involved in selecting and setting the salaries of any employees with authority to make decisions on behalf of the organization.

Look Out for Conflicts of Interest

As a board member, you have a duty to act in the interest of the corporation. Board members must avoid transactions in which they or their family members benefit personally, unless such transactions are fair to the corporation and approved by the full board.

- The board of directors may approve (before or after the fact) transactions which are fair to the corporation, even if a member has a personal interest, if the other board members know of that interest and the details of the transaction. **Such approval requires a vote by a majority of the board members who have no direct or indirect interest.**
- If the board is unable to make a decision regarding a transaction in which a board member has a personal interest, one or more board members may request that the transaction be approved by the Attorney General or by the Superior Court.
- The board should consider adopting a conflict of interest policy to help guide decision making when faced with conflict issues.

Because the interests of the organization as a whole are paramount, Maine law requires that no more than 49% of the individuals on the board of directors may be "financially interested persons."

An individual who has received or is entitled to receive compensation for personal services rendered to the corporation by that individual within the previous 12 months is a financially interested person. The spouse, brother, sister, parent or child of the board member is also considered in determining financial interest.

The board should consider requiring directors to complete annually a disclosure statement listing other organizations or businesses in which they have a personal or financial interest. Finally, on the topic of conflict of interest, Maine law prohibits loans from charitable corporations to its directors or officers.

Safeguard Charitable Assets

The board of directors is responsible for ensuring that charitable funds are used only to promote the corporate mission. In order to ensure that the assets are properly managed, you as a board member should (with professional guidance if necessary) at a minimum:

- Make sure that the board develops an annual budget and maintains records of account.
- Require and review monthly financial reports (such as income and expense statements and budget status reports) from those charged with the day-to-day operation of the organization.
- The board should consider requiring dual check-writing authority and select one board member or person employed by the organization without authority to sign checks to reconcile the organization's bank statements on a monthly basis.
- Make sure that restricted gifts are used only for the purposes for which they were donated and keep separate track of restricted funds.
- Make sure that no transfer:
 - i. directly or indirectly benefits any board member, unless the transfer is fair to the corporation and properly approved by the board; or
 - ii. is to a board member or other person with influence over the organization if that person receives a benefit beyond its fair market value.
- Make sure that any transactions with for-profit entities (such as mergers and joint ventures) receive appropriate legal scrutiny since special rules apply.
- Be aware of the Uniform Prudent Management of Institutional Funds Act if your charity manages permanent endowment funds and the Uniform Trust Code if your charity manages or is the beneficiary of any trust funds.

Filing and Reporting Requirements

- Public benefit corporations must file an exempt organization return with the Internal Revenue Service - IRS Form 990ez, 990 or 990-PF. (990-PFs must

also be filed with the Office of the Attorney General, 6 State House Station, Augusta, ME 04333-0006). ***For more information on federal income tax requirements please contact the IRS at 877/777-4778 or visit the IRS website at www.irs.gov/.***

- All corporations must file certain documents with the Secretary of State, such as amendments to articles of incorporation and an annual report, which must be submitted by the 1st of June. ***For more information on Secretary of State requirements please contact the Secretary of State at 101 State House Station, Augusta, Maine 04333-0101; 207/624-7752 or visit [the Bureau of Corporations, Elections and Commissions website](#) .***
- Any charity that solicits contributions, directly or indirectly, must register with the Maine Department of Professional and Financial Regulation, unless specifically exempted. ***For more information on charitable solicitation registration requirements please contact the Office of Licensing and Registration at 122 Northern Avenue, Gardiner, Maine 04345; 207/624-8624 or [visit the PFR website](#).***
- Certain acts of the organization, such as major proposed amendments to the articles of incorporation, adoption of the provisions of the Uniform Prudent Management of Institutional Funds Act, or a merger with, or sale or conversion to, a for-profit entity, must be reported to the Attorney General

Your Rights as Board Members

As a board member, you must be able to make informed judgments about important matters affecting the charitable corporation and the community it serves. The law entitles board members to reasonably rely on information (such as opinions, reports, or statements, including financial statements and other financial data) from the charitable corporation's staff, outside advisors and board committees, to discharge duties. As a board member, if you do not have adequate information you have the right to get it.

- You have the right to reasonable access to management.
- You have the right to reasonable access to internal information of the organization. **With at least five-business days notice, any board member may inspect all books and records of the organization for the purpose of fulfilling his or her duties.**



- You have the right to reasonable access to the organization's principal advisors, such as its attorney or accountant.
- You should know that the organization has the power to purchase and maintain directors' and officers' insurance to cover your expenses if you are sued in connection with your service on the board. Even if such insurance has not been obtained, **the organization must reimburse the expenses of any board member who is sued and successfully defends the lawsuit.** Furthermore, the corporation has the authority to reimburse a board member in the event of a lawsuit, so long as the board member acted in good faith, regardless of the outcome of the lawsuit.

New Director Information Packet

The Office of the Attorney General recommends that boards provide all new directors with an information packet including, at a minimum, the following:

- Copies of the organization's articles of incorporation and bylaws.
- Copies of any conflict of interest policy adopted by the board and corresponding disclosure statements.
- A copy of this Guide for Board Members of Charitable Corporations.

This Guide was prepared by the Consumer Protection Division of the Maine Attorney General's Office to assist board members of charitable organizations with important responsibilities. It is only a guide and is not intended to prescribe how board members must act in all situations.

Copies of this Guide can be obtained from the Office of the Attorney General at 6 State House Station, Augusta, Maine 04333-0006; 207/626-8502.

Laws pertaining to nonprofit organizations including charitable or "public benefit" corporations, are found in [Title 13-B of the Maine Revised Statutes, the Maine Nonprofit Corporation Act](#), and can be viewed and/or downloaded at www.mainelegislature.org/legis/statutes/.

Credits

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Contact

Email:	Name	Title
skilroy@cwmwdb.org	Stacy Kilroy	Executive Director

Form **1023**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

OMB NO. 1545-0056
If exempt status is approved,
this application will be open for
public inspection.

Read the instructions for each Part carefully.
A User Fee must be attached to this application.
If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

Complete the Procedural Checklist on page 8 of the instructions.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) Central/Western Maine Workforce Investment Board		2 Employer identification number (EIN) (if none, see page 3 of the instructions) 65-1192940	
1b c/o Name (if applicable)		3 Name and telephone number of person to be contacted if additional information is needed Karen Robinson, 207-778-6614	
1c Address (number and street) 140 Main Street	Room/Suite		
1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 3. Farmington, Maine 04938		4 Month the annual accounting period ends June	
		5 Date incorporated or formed June, 2003	
1e Web site address	6 Check here if applying under section: 501(e) <input type="checkbox"/> 501(f) <input type="checkbox"/> 501(k) <input type="checkbox"/> 501(n) <input type="checkbox"/>		
7 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If "Yes," attach an explanation.			
8 Is the organization required to file Form 990 (or Form 990-EZ)? <input type="checkbox"/> N/A Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If "No," attach an explanation (see instructions).			
9 Has the organization filed Federal income tax returns or exempt organization information returns? . . . Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.			

10 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See Specific Instructions, Part I, Line 10, on page 3.) Get Pub. 557, Tax-Exempt Status for Your Organization, for examples of organizational documents.)

- a ☒ Corporation - Attach a copy of the Articles of Incorporation, (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.
- b ☐ Trust - Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association - Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of the bylaws.

If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please
Sign
Here (Signature) (Title or authority of signer) (Date)

Part II Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization - past, present, and planned. DO NOT MERELY REFER TO OR REPEAT THE LANGUAGE IN THE ORGANIZATIONAL DOCUMENT. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.
- The organization was created as a result of the United States Workforce Investment Act of 1998. Its mission is to administer and oversee the program objectives of the five county board made up of Androscoggin, Franklin, Kennebec, Oxford and Somerset which comprise the service delivery area.
- 2 What are or will be the organization's sources of financial support? List in order of size.
- 1) United States Government - Department of Labor
 - 2) Other federal and state grant and contracts
 - 3) Public donations
- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.
- The Organization currently has no fundraising plan nor does it plan to organize any formal structure of a fundraising campaign in the future.

Part II Activities and Operational Information

(Continued)

4 Give the following information about the organization's governing body:

- a** Names, addresses, and titles of officers, directors, trustees, etc.
Please see attached list

b Annual Compensation
0

- c** Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes ☒ No ☐

If "Yes," name those persons and explain the basis of their selection or appointment.

All the above board members are delegated to the board because they hold the position of being an elected commissioner from one of the five counties making up the board, the counties are as follows Androscoggin, Franklin, Kennebec, Oxford and Somerset. These officials are elected by the general public in a registered vote.

- d** Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See Specific Instructions, Part II, Line 4d, on page 3.)

Yes ☐No ☒

If "Yes," explain.

- 5** Does the organization control or is it controlled by any other organization? Yes ☐ No ☒

Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? Yes ☐ No ☒

If either of these questions is answered "Yes," explain.

- 6** Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes ☐ No ☒

If "Yes," explain fully and identify the other organizations involved.

- 7** Is the organization financially accountable to any other organization? Yes ☐ No ☒

If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

Part II Activities and Operational Information

(Continued)

- 8** What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If "None," indicate "N/A."
Minimal assets, computers, basic office equipment.
-
- 9** Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? Yes ☐ No ☒
-
- 10a** Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? Yes ☐ No ☒
- b** Is the organization a party to any leases? Yes ☐ No ☒
If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.
-
- 11** Is the organization a membership organization? Yes ☒ No ☐
If "Yes," complete the following:
- a** Describe the organization's membership requirements, and attach a schedule of membership fees and dues.
The Organization is made up of a commissioner from each respective County described in part 4 section c.
- b** Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.
There are no plans for the Organization to attract new members at this time.
- c** What benefits do (or will) the members receive in exchange for their payment of dues?
-
- 12a** If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? ☐ N/A Yes ☐ No ☒
If "Yes," explain how the charges are determined, and attach a copy of the current fee schedule.
- b** Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? ☐ N/A Yes ☐ No ☒
If "Yes," explain how the recipients or beneficiaries are or will be selected.
-
- 13** Does or will the organization attempt to influence legislation? Yes ☐ No ☒
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.
-
- 14** Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? Yes ☐ No ☒
If "Yes," explain fully.

Part III Technical Requirements

- 1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? Yes ☐ No ☒
 If you answer "Yes," do not answer questions on lines 2 through 7.

- 2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions - You are not required to file an exemption application within 15 months if the organization:

- ☐ a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See Specific Instructions, Line 2a, on page 4;
- ☐ b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- ☐ c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

- 3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? Yes ☒ No ☐

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

- 4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? Yes ☐ No ☐

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See Specific Instructions, Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

- 5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? Yes ☐ No ☐

- 6 If you answer "Yes" to the question on line 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status) ☐ , check here and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements

(Continued)

7 Is the organization a private foundation?☐ Yes (Answer question 8.)☒ No (Answer question 9 and proceed as instructed.)**8** If you answer "Yes" to the question on line 7, does the organization claim to be a private operating foundation?☐ Yes (Complete Schedule E)☐ No

After answering question 8 on this line, go to line 14 on page 7.

9 If you answer "No" to the question on line 7, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:**THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:****a** ☐ As a church or a convention or association of churches
(CHURCHES MUST COMPLETE SCHEDULE A.)Sections 509(a)(1)
and 170(b)(1)(A)(i)**b** ☐ As a school (MUST COMPLETE SCHEDULE B.)Sections 509(a)(1)
and 170(b)(1)(A)(ii)**c** ☐ As a hospital or a cooperative hospital service organization, or a
medical research organization operated in conjunction with a hospital
(These organizations, except for hospital service organizations,
MUST COMPLETE SCHEDULE C.)Sections 509(a)(1)
and 170(b)(1)(A)(iii)**d** ☐ As a governmental unit described in section 170(c)(1).Sections 509(a)(1)
and 170(b)(1)(A)(v)**e** ☐ As being operated solely for the benefit of, or in connection with, one
or more of the organizations described in a through d, g, h, or i
(MUST COMPLETE SCHEDULE D.)

Section 509(a)(3)

f ☐ As being organized and operated exclusively for testing for public
safety.

Section 509(a)(4)

g ☐ As being operated for the benefit of a college or university that is
owned or operated by a governmental unit.Section 509(a)(1)
and 170(b)(1)(A)(iv)**h** ☒ As receiving a substantial part of its support in the form of
contributions from publicly supported organizations, from a
governmental unit, or from the general public.Sections 509(a)(1)
and 170(b)(1)(A)(vi)**i** ☐ As normally receiving not more than one-third of its support from
gross investment income and more than one-third of its support from
contributions, membership fees, and gross receipts from activities
related to its exempt functions (subject to certain exceptions).

Section 509(a)(2)

j ☐ The organization is a publicly supported organization but is not sure
whether it meets the public support test of block h or block i. The
organization would like the IRS to decide the proper classification.Sections 509(a)(1) and
170(b)(1)(A)(vi) or
Section 509(a)(2)

If you checked one of the boxes a through f in question 9, go to question 14.

If you checked box g in question 9, go to questions 11 and 12.

If you checked box h, i, or j, in question 9, go to question 10.

Part III Technical Requirements

(Continued)

10 If you checked box h, i, or j on line 9, has the organization completed a tax year of at least 8 months?☒ Yes - Indicate whether you are requesting:☒ A definitive ruling (Answer questions on lines 11 through 14.)☐ An advance ruling (Answer questions on lines 11 and 14 and attach two Forms 872-C completed and signed.)☐ No - You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the application.**11** If the organization received any unusual grants during any of the tax years shown in Part IV-A, Statement of Revenue and Expenses, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.
The Organization received no unusual grants.**12** If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here☒ and:**a** Enter 2% of line 8, col. (e), total, of Part IV-A248,113**b** Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line 12a.**13** If you are requesting a definitive ruling under section 509(a)(2), check here ☐ and:**a** For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see Specific Instructions, Part II, Line 4d, on pg 3.)**b** For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.**14** Indicate if your organization is one of the following. If so, complete the required schedule.

(Submit only those schedules that apply to your organization. Do not submit blank schedules.)

	Yes	No	If "Yes," complete Schedule:
Is the organization a church?		X	A
Is the organization, or any part of it, a school?		X	B
Is the organization, or any part of it, a hospital or medical research organization?		X	C
Is the organization a section 509(a)(3) supporting organization?		X	D
Is the organization a private operating foundation?		X	E
Is the organization, or any part of it, a home for the aged or handicapped?		X	F
Is the organization, or any part of it, a child care organization?		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?		X	I

Part IV Financial Data

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

Revenue	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From 1/1/2001 to 12/30/2002	(b) 12/31/01	(c) 12/31/03	(d)	
1 Gifts, grants, and contributions received (not including unusual grants)	4,168,668	4,236,490	4,000,500		12,405,658
2 Membership fees received					0
3 Gross investment income (see instructions)					0
4 Net income from organization's unrelated business activities not included on line 3					0
5 Tax revenues levied for and either paid to or spent on behalf of the organization					0
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)					0
7 Other income (not including gain or loss from sale of capital assets) (attach schedule)					0
8 Total (add lines 1 through 7)	4,168,668	4,236,490	4,000,500	0	12,405,658
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22.					0
10 Total (add lines 8 and 9)	4,168,668	4,236,490	4,000,500	0	12,405,658
11 Gain or loss from sale of capital assets (att. sch.)					0
12 Unusual grants					0
13 Total revenue (add lines 10 through 12)	4,168,668	4,236,490	4,000,500	0	12,405,658
Expenses					
14 Fundraising expenses					
15 Contributions, gifts, grants, and similar amounts paid (attach schedule)					
16 Disbursements to or for benefit of members (attach schedule)					
17 Compensation of officers, directors, and trustees (attach schedule)					
18 Other salaries and wages					
19 Interest					
20 Occupancy (rent, utilities, etc.)					
21 Depreciation and depletion					
22 Other (attach sch.)	4,146,076	4,187,365	4,000,500		
23 Total expenses (add lines 14 through 22)	4,146,076	4,187,365	4,000,500	0	
24 Excess of revenue over expenses (line 13 minus line 23)	22,592	49,125	0	0	

Part IV Financial Data

(Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year 12/31/02
Assets		
1	Cash	1 22,592
2	Accounts receivable, net	2
3	Inventories	3
4	Bonds and notes receivable (attach schedule)	4
5	Corporate stocks (attach schedule)	5
6	Mortgage loans (attach schedule)	6
7	Other investments (attach schedule)	7
8	Depreciable and depletable assets (attach schedule)	8
9	Land	9
10	Other assets (attach schedule)	10
11	Total assets (add lines 1 through 10)	11 22,592
Liabilities		
12	Accounts payable	12 22,592
13	Contributions, gifts, grants, etc., payable	13
14	Mortgages and notes payable (attach schedule)	14
15	Other liabilities (attach schedule)	15
16	Total liabilities (add lines 12 through 15)	16 22,592
Fund Balances or Net Assets		
17	Total fund balances or net assets	17
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	18 22,592

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation ☐

Central/Western Maine WIA

990 Application

Expense Summary

Proposed 2003

2002

Payroll-Rapod Response	\$ 42,000.00	\$ 42,630.00
Payroll taxes and benefits-RR	\$ 10,800.00	\$ 10,733.00
Postage	\$ 100.00	\$ 74.00
Travel	\$ 3,500.00	\$ 3,392.00
Telephone	\$ 900.00	\$ 915.00
Administration	\$ 375,000.00	\$ 392,843.00
Consultants - WMCA	\$ 85,000.00	\$ 85,786.00
BES	\$ 96,600.00	\$ 96,625.00
Other	\$ 3,500.00	\$ 3,575.00
Adult Program	\$ 1,000,000.00	\$ 1,030,532.00
Dislocated Worker Program	\$ 675,000.00	\$ 696,710.00
Employer Assistance	\$ 35,000.00	\$ 36,839.00
National Emergency Grant	\$ 55,000.00	\$ 55,883.00
Youth Program	\$ 1,514,900.00	\$ 1,581,752.00
Training	\$ 2,000.00	\$ 2,165.00
Marketing	\$ 4,200.00	\$ 4,359.00
Trainer costs	\$ 7,000.00	\$ 7,073.00
10% Setaside	\$ 90,000.00	\$ 94,190.00

\$ 4,000,500.00	\$ 4,146,076.00
-----------------	-----------------

Central/Western Maine Workforce Investment Board
Form 990

CLEO Board:

Gary McGrane
140 Main Street
Farmington, Maine 04938
(207) 778-6614

Fred Kennard
140 Main Street
Farmington, Maine 04938
(207) 778-6614

Nancy Rines
140 Main Street
Farmington, Maine 04938
(207) 778-6614

Joe Bowman
140 Main Street
Farmington, Maine 04938
(207) 778-6614

Elmer Berry
140 Main Street
Farmington, Maine 04938
(207) 778-6614

Central/Western Maine Workforce Investment Board
Form 990

LWIB Board:

Peter Thompson - Chair
140 Main Street
Farmington, Maine 04938
(207) 778-6614

Bryant Hoffman – Executive Director
140 Main Street
Farmington, Maine 04938
(207) 778-6614

Judy Mosher – Admin Assistant
140 Main Street
Farmington, Maine 04938
(207) 778-6614

Sylvia Plourde -- Rapid Response
140 Main Street
Farmington, Maine 04938
(207) 778-6614

Mary-Redmond Luce – Youth services
140 Main Street
Farmington, Maine 04938
(207) 778-6614

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: 12/26/2004

CENTRAL/WESTERN MAINE WORKFORCE
INVESTMENT BOARD
C/O KAREN ROBINSON
P.O. BOX 785
WILTON, ME 04938

Employer Identification Number:
65-1192940

DLN:
17053317038003
Contact Person:
MARGARITA D BARRAGAN ID# 95118
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Foundation Status Classification:
509(a)(1)
Advance Ruling Period Begins:
June 19, 2003
Advance Ruling Period Ends:
December 31, 2007
Addendum Applies:
No

Dear Applicant:

Based on information you supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably expect to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from your beginning date for purposes of section 507(d) and 4940.

Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until we make

Letter 1045 (DO/CG)

CENTRAL/WESTERN MAINE WORKFORCE

a final determination of your foundation status.

If we publish a notice in the Internal Revenue Bulletin stating that we will no longer treat you as a publicly supported organization, grantors and contributors may not rely on this determination after the date we publish the notice. In addition, if you lose your status as a publicly supported organization, and a grantor or contributor was responsible for, or was aware of, the act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that we had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date he or she acquired such knowledge.

If you change your sources of support, your purposes, character, or method of operation, please let us know so we can consider the effect of the change on your exempt status and foundation status. If you amend your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, let us know all changes in your name or address.

As of January 1, 1984, you are liable for social security taxes under the Federal Insurance Contributions Act on amounts of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Internal Revenue Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Internal Revenue Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Donors may deduct contributions to you only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, gives guidelines regarding when taxpayers may deduct payments for admission to, or other participation in, fundraising activities for charity.

Contributions to you are deductible by donors beginning June 19, 2003.

You are not required to file Form 990, Return of Organization Exempt From Income Tax, if your gross receipts each year are normally \$25,000 or less. If you receive a Form 990 package in the mail, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return. Because you will be treated as

Letter 1045 (DO/CG)

CENTRAL/WESTERN MAINE WORKFORCE

a public charity for return filing purposes during your entire advance ruling period, you should file Form 990 for each year in your advance ruling period that you exceed the \$25,000 filing threshold even if your sources of support do not satisfy the public support test specified in the heading of this letter.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete. So, please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, we will assign a number to you and advise you of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are spent only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), you must have evidence that the funds will remain dedicated to the required purposes and that the recipient will use the funds for those purposes.

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CENTRAL/WESTERN MAINE WORKFORCE

If you distribute funds to individuals, you should keep case histories showing the recipients' names, addresses, purposes of awards, manner of selection, and relationship (if any) to members, officers, trustees or donors of funds to you, so that you can substantiate upon request by the Internal Revenue Service any and all distributions you made to individuals. (Revenue Ruling 56-304, C.B. 1956-2, page 306.)

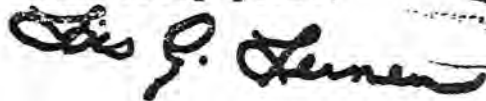
If we said in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help us resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Lois G. Lerner". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Enclosure(s):
Form 872-C

Letter 1045 (DO/CG)

Form **872-C**

(Rev. September 1998)

Department of the Treasury
Internal Revenue Service**Consent Fixing Period of Limitation Upon
Assessment of Tax Under Section 4940 of the
Internal Revenue Code**

(See instructions on reverse side.)

OMB No. 1545-0056

To be used with
Form 1023. Submit
in duplicate.

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period.

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

(Exact legal name of organization as shown in organizing document)

140 Main Street, Farmington, Maine

(Number, street, city or town, state, and ZIP code)

and the
District Director of
Internal Revenue, or
Assistant
Commissioner
(Employee Plans and
Exempt Organizations)

consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year December 31, 2003
(Month, day, and year)

Name of organization (as shown in organizing document)

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

Date

March 2, 2004

Officer or trustee having authority to sign

Type or print name and title

Signature ▶

Gary T. McGrane, CEO ChairGary T. McGrane

For IRS use only

District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)

Date

Steven J. MillerMAR 26 2004

By ▶

[Signature]Group Manager

For Paperwork Reduction Act Notice, see page 7 of the Form 1023 Instructions.

Cat. No. 15905Q

Exhibit C
Articles of Incorporation

COPY

Filing Fee \$20.00

DOMESTIC
NONPROFIT CORPORATION

STATE OF MAINE

ARTICLES OF INCORPORATION

File No. 20030613ND Pages 4
Fee Paid \$ 20
DCN 2031881200040 ARTI
---FILED---
06/19/2003
Deputy Secretary of State

A True Copy When Attested By Signature


Deputy Secretary of State

Pursuant to 13-B MRSA §403, the undersigned incorporator(s) execute(s) and deliver(s) the following Articles of Incorporation:

FIRST: The name of the corporation is Central/Western Maine Workforce Investment Board

SECOND: ("X" one box only. Attach additional page(s) if necessary.)

☒ The corporation is organized as a public benefit corporation for the following purpose or purposes:

To administer The United States Workforce Investment Act of 1998 and other complimentary programs.

☐ The corporation is organized as a mutual benefit corporation for all purposes permitted under 13-B MRSA, or, if not for all such purposes, then for the following purpose or purposes:

THIRD: The name and registered office of the Registered Agent who must be a Maine resident, whose office is identical with the registered office; or a corporation, domestic or foreign, profit or nonprofit, having an office identical with such registered office:

Karen Robinson

(name)

140 Main Street, Farmington, Maine 04938

(physical location - street (not P.O. Box), city, state and zip code)

(mailing address if different from above)

This form must be accompanied by Form MNPCA-18 (Acceptance of Appointment as Registered Agent §304.3).

FOURTH: The number of directors (not less than 3) constituting the initial board of directors of the corporation, if the number has been designated or if the initial directors have been chosen, is 5The minimum number of directors (not less than 3) shall be 5 and the maximum number of directors shall be 5

FIFTH: Members: ("X" one box only.)

☒ There shall be no members.☐ There shall be one or more classes of members and the information required by §402 is attached.

SIXTH: (Optional) ☒ (Check if this article is to apply.)

No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

SEVENTH: (Optional) ☒ (Check if this article is to apply.)

Other provisions of these articles including provisions for the regulation of the internal affairs of the corporation, distribution of assets on dissolution or final liquidation and the requirements of the Internal Revenue Code section 501(c) are set out in Exhibit A attached hereto and made a part hereof.

INCORPORATORS

Karen Robinson
(signature)

Karen Robinson
(type or print name)

(signature)

(type or print name)

(signature)

(type or print name)

DATED 6/18/03

Street 140 Main Street
(residence address)

Farmington Maine 04938
(city, state and zip code)

Street _____
(residence address)

(city, state and zip code)

Street _____
(residence address)

(city, state and zip code)

For Corporate Incorporators*

Name of Corporate Incorporator _____

By _____
(signature of officer)

(type or print name and capacity)

Street _____
(principal business location)

(city, state and zip code)

*Articles are to be executed as follows:

If a corporation is an incorporator (§401), the name of the corporation should be typed or printed and signed on its behalf by an officer of the corporation. The articles of incorporation must be accompanied by a certificate of an appropriate officer of the corporation, not the person signing the articles, certifying that the person executing the articles on behalf of the corporation was duly authorized to do so.

Please remit your payment made payable to the Maine Secretary of State.

SUBMIT COMPLETED FORMS TO: CORPORATE EXAMINING SECTION, SECRETARY OF STATE,
101 STATE HOUSE STATION, AUGUSTA, ME 04333-0101
TEL. (207) 624-7740

NONPROFIT CORPORATION

STATE OF MAINE

ACCEPTANCE OF APPOINTMENT
AS REGISTERED AGENT OF

Central/Western Maine Workforce Investment Board
(name of nonprofit corporation)

Pursuant to 13-B MRSA §304.3 or §1212.1-A, the undersigned hereby accepts the appointment as registered agent for the above-named nonprofit corporation.

REGISTERED AGENT

Karen Robinson
(signature)

DATED June 17, 2003

Karen Robinson

(type or print name)

For Registered Agent which is a Corporation

Name of Corporation _____

By _____
(authorized signature)

(type or print name and capacity)

Central/Western Maine Workforce Investment Board

Exhibit A

Seventh:

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purpose set fourth in article second hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidates for public office. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on:

A) by a corporation exempt from federal income tax under section 501 (c)(3) Of the Internal Revenue Code, or the corresponding section of any future federal tax code.

B) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501 (c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the County in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as said court shall determine which are organized and operated exclusively for such purposes.

Signed By: Naren Robinson

Date: 6/18/03

Title: Agent



77 Winthrop Street
Augusta, Maine 04330
207-241-4100
cwmwdb.com/LocalPolicies

Policy Number:	2020-2
Subject of Policy:	Procurement
WIOA Citation:	2CFR 200.318
Prior Policy:	This is a new policy;
Action:	Approve this policy to satisfy State and Federal regulations.
Effective Date:	January 28, 2019

FEDERAL POLICY

2 CFR 200.211 & 2CFR 200.318 is Local Board Policy. (attached)
26 CFR 1.501(c)3-1 is Local Board Policy. (attached)

STATE POLICY

PY15-07 Conflict of interest is Local Board Policy. (attached)
MRS Title 13-B, §718 is Local Board Policy. (attached)

PURPOSE

This purpose of this policy is to satisfy requirements of both Maine's Workforce Development System, and its public charity operation requirements. This policy is intended to supplement but not replace any applicable State or Federal laws governing conflict of interest.

POLICY

I. RESPONSIBILITY AND AUTHORITY

A. GENERAL RESPONSIBILITIES

1. It is the responsibility of the Central Western Maine Workforce Development Board (CWMWDB) to provide oversight and guidance to the CEO, CWMWDB staff and all subrecipients to ensure compliance and performance requirements are met and to ensure that procurement processes are consistent, fair, and supportive of the goals of funding sources, and are in line with the mission and objectives of the organization.
2. The CWMWDB staff members are responsible for the development, implementation, monitoring, and maintenance of all procurement activities in such a way as to meet the requirements of applicable laws, regulations, policies, and procedures.

B. STANDARDS

This policy complies with standards in the following federal and state laws and rules:

1. Workforce Innovation and Opportunity Act (WIOA) of 2014;

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Commented [A1]:

Commented [A2R1]: Section IA2 conflicts with Section IA1. One cannot require staff to seek guidance on compliance for matters that it administers in line with Federal principles from people subject to that Federal compliance. This would be especially relevant if that compliance guidance relates to the conflict of interest of the parties designated to give advice. This is called the *segregation of duties principle* and it is an internal control required of Federal grant recipients as explained by the Department of Labor in its Workforce GPS handout called *Recommended Policies and Procedures* for Federal Award Recipients.

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CWMWDB Procurement Policy

Policy #2020-02

January 28, 2020

2

2. OMB Super Circular 2 CFR Part 200.317 through 200.326;
3. Workforce Innovation and Opportunity Act, Final Rules; and
4. Training and Employment Guidance Letter WIOA NO. 15-16 Competitive Selection of One Stop Operators.

C. AUTHORITY

The CEO has the ultimate legal authority and liability over fiscal matters involving WIOA funds but has granted the CWMWDB the authority for awarding, withdrawing from, or assigning contracts. The following decision-making matrix has been approved by the CEO and CWMWDB.

D. DECISION MAKING/SIGNATURE AUTHORITY

Disbursement of Funds	CWMWDB Full Board	CWMWDB Executive Committee	CWMWDB Executive Director ¹	CWMWDB County Commissioners
Contracts for ETA or WIOA service providers funded from WIOA annual program allocations	Ratification of Exec. Com. Approval	Approval	Approval	Approval
Contract Modifications by the amount of the modification. ²	See below	See below	See below	See below
All contracts or modifications greater than \$200,001	Ratification of Exec. Com. approval	Approval	Approval	Approval
All contracts or modifications \$50,001 to \$200,000	Ratification of Exec. Com. approval	Approval	Approval	Informed
All contracts or modifications \$5,001 to \$50,000	Informed	Approval	Approval	Informed
All contracts or modifications \$5,000 and under.	Informed	Informed	Approval	Informed

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Commented [A3]: The CEOs never lose liability for the funds. 200,000 or higher is a large amount of money to allow a board without term limits or a public nomination process to decide matters on that much of taxpayer dollars.

What is the limit that your county manager must ask the Commission for authority? I recommend taking the least of these limits and use it for this process. CEOs are no less accountable here than on commission or TIF issues, and because of 501c3 may even be more.

E. EXCLUSIONS

Purchases of the following items are specifically excluded from this procurement policy:

¹ The CWMWDB Executive Director may delegate authority for contract approval during his/her absence to the CWMWDB Treasurer.

² § 200.323 Contract cost and price.

(a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications.

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CWMWDB Procurement Policy

Policy #2020-02

January 28, 2020

3

1. On the Job Training (OJT) as covered by the CWMWDB OJT Policy;
2. Individual Training Accounts (ITA) with Eligible Training Providers as covered by the CWMWDB Supportive Services Policy (specific federal requirements are defined in WIOA Law Title 1, Subtitle B, Chapter 3- Eligible Training Providers);
3. Expenses covered by the CWMWDB Travel Reimbursement procedure; and
4. Subcontractor awards given by our contracted service providers under CWMWDB's WIOA contract with the Maine Department of Labor are exempt from this policy if the original grant proposal lists specific providers that are considered "required partners" and such listing is based on services that are competitively bid with responses from at least three similar partners every three years.

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SECTION II- CONFLICT OF INTEREST

A. CODE OF CONDUCT APPLICABILITY

This code applies to the CWMWDB Chief Elected Officials (CEOs), CWMWDB Board members, the CWMWDB Executive Committee, and CWMWDB employees, agents, subrecipients, and contractors who shall comply fully with the CWMWDB Code of Conduct as well as with the rules and opinions governing conflict-of-interest situations contained in the following documents: State of Maine Conflict of Interest Policy Number PY15-07; United States Department of Labor (USDOL) laws; Workforce Innovation Opportunity Act, (WIOA) of 2014; and OMB SuperCircular 20 CFR 200.

It is the policy that should federal or state standard, law, rule or regulation differs from this provision that the most stringent applies.

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Commented [A4]: This is highlighted to indicate that all parties subject to this policy must be included in remedies and protections offered.

This is indicated later by the phrases like "and all parties subject to this policy"

B. CODE OF CONDUCT CONTENTS

1. CWMWDB Code of Conduct includes an agreement to abide by the conflict of interest provisions as required by:

- a. The Workforce Innovation Opportunity (WIOA) Act of 2014, or
- b. **MRS Title 13-B, §718 Director Conflict**

2. CWMWDB Code of Conduct includes

- a. Individuals on Local Workforce Development Board
- b. Youth Council and
- c. other Subcommittees
- d. **CEOS**

3. Restricted Activities.

- a. No member shall cast a vote or participate in any decision-making capacity on any matter under consideration regarding the provision of services by such member (or by an entity that the member represents) or that would provide direct **or indirect** financial benefit to such member or the immediate family of such member; engage directly or indirectly in any business transactions or private arrangement for profit which accrues from or is based upon his or her official position or authority on the board; participate in the negotiation of or decision to award contracts or grant, the settlement of any claims or charges in any contracts or grants, the certification of any eligible providers or the establishment of any designation of local workforce investment areas or the establishment of any one stop delivery systems, with or for any entity in which he or she has a financial or personal interest.
- b. No individual may be placed in a WIOA employment activity if a member of that person's immediate family is directly supervised by or directly supervises that individual.

3. Representation of interest.

No member of the CWMWDB, aka Local Workforce Development Board (LWDB), or any Council or Committee shall represent or act as an agent for any private interest, whether for

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compensation or not, in any transaction in which the members have a direct **or indirect interest** and which could be reasonably expected to result in a conflict **or perceived conflict between a** private interest of the member and the member's official responsibility to the CWMWDB.

4. Misuse of board facilities and equipment.
No member of board shall use any board equipment, supplies, or properties for his or her own private gain or for other than official designated purposes.
5. Duties of Board Members, CEOs, and staff. It shall be the duty of all Board members, **and others covered under this policy** to:
 - a. Recuse themselves from their official duties if there is a conflict of interest, **which is defined as real or perceived.**
 - b. Advise the board of any potential conflicts of interest that have been raised and the decision;
 - c. Ask the board for an opinion **if they or any other person subject to these provisions has raised reasonable doubt about a real or perceived conflict of interest.**
 - d. **CEO holds the authority to decide the method and response for appeals or issues involving other decisionmakers.**
6. *Violations of the conflict of interest code.*
 - a. Any person covered under these provisions may suggest a real **or perceived conflict to the** Board, or committee of the Board which has an obligation to investigate and report to the CEO their finding with citations as to why it is not a conflict.
 - b. Chief Elected Official (CEO) may remove the individual who has violated the code as member of the board.
7. *Conflict of Interest Disclosure*
In order to avoid conflict of interest **or the appearance of such conflict**, each member shall disclose any potential conflict of interest to the Board/appropriate committee membership. Minutes of meetings shall record the abstentions of members who are prohibited from voting due to conflict of interest. These prohibitions shall apply to regular, special, and committee meetings of the CWMWDB.

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Commented [A5]: This would be the right to petition for a redress of grievance that is crucial for any public process to be considered fair and decided.
This is why the elected official should hold this authority as the representative of the people

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Commented [A6]: Text in blue is not new. It is highlighted to point out that the appearance of conflict which is a perceived conflict is covered under conflict of interest. **The important point is that a conflict of policy is an ethical standard and cannot be truly satisfied with minimal or marginal action.**

There is no protection for actions deemed in conflict with ethical standards even in cases when the Board decides to waive the standards. In other words, if the action is wrong, no action of the Board obviates that.

This critical concept is much clearer by indicating conflict of interest is a real or perceived conflict of interest, demonstrated by facts that do not on the surface have to describe the conflict but the relationship that causes it. If we do not agree on this, we should get an opinion from a subject matter expert on conflict of interest.

ALSO There also cannot be an assignment of the CEO liability to Board or anyone.

SECTION III- NOTIFICATION AND APPROVAL

Agencies or individuals submitting requested written proposals or quotes shall be notified via electronic mail of CWMWDB' response. No contract award shall be considered final until a written agreement or purchase order is signed by an authorized CWMWDB employee.



SECTION IV- GENERAL PROCUREMENT REQUIREMENTS

- A. All procurements shall be conducted in a manner that maximizes full and open competition, regardless of the procurement method. Competitive procurements shall not unduly restrict or eliminate competition.
- B. All expenditures must be reasonable, allowable, allocable, and necessary.
- C. All purchases of goods and services will be reviewed.
- D. All construction, remodeling or renovation must have prior written approval from funding source.
- E. All purchases of equipment with a per-unit acquisition price of \$5,000 or more and a useful life of more than one (1) year require written approval from the funding source.
- F. All procurements of service providers, consultants, and large purchases (as defined in Section VI) shall clearly set forth all requirements which bidders or offerors must fulfill and all other factors to be used in evaluating bids or proposals, including a clear and accurate written description of the goods and services being procured; technical requirements for the material, product, or service to be procured; a description of all requirements that must be fulfilled and all other factors used in evaluating bids or proposals; and specific features of "brand name or equal" products.
- G. Where appropriate, an analysis shall be made of lease/rental versus purchase alternatives to determine which approach is most economical.
- H. Consideration shall be given to either consolidating or breaking up procurement actions to maximize competition.
- I. The CWMWDB may procure shared services and common goods by using a competitive bid issued and awarded by another Maine public charity, local government or workforce agency as its procurement method where it fosters greater economy and efficiency.
- J. The CWMWDB will use federal excess and surplus property whenever it is feasible, sanitary and results in cost savings.
- K. The primary consideration in selecting agencies or organizations to deliver services shall be the effectiveness of the agency or organization in delivering comparable or similar services based upon the meeting of demonstrated performance goals, cost, the quality of training, and participant characteristics.
- L. Efforts shall be made to include community-based organizations, small businesses, minority-owned firms, women-owned firms, historically African-American and Native

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American colleges and universities, and faith-based organizations in the solicitation process.

- M. CWMWDB funds shall not be used to duplicate facilities or services available in the area, unless it is demonstrated that alternative services or facilities would be more effective or more likely to achieve performance goals.
- N. In identifying any program income or profit to be earned by the bidder, the following factors shall be considered in determining whether program income or profits are excessive:
1. The complexity of work to be performed as is customary in for its industry in Maine;
 2. Risk born by contractor/subrecipient as is customary in for its industry in Maine;
 3. The contractor's/subrecipient's investment as is customary in for its industry in Maine;
 4. The amounts of subcontracting;
 5. The quality of the contractor's/subrecipient's record of past performance as shown by MDOL and other public records.
 6. Industry profit rates in the surrounding geographical area for bids with mark ups; and
 7. Market conditions in the surrounding geographical area.
- O. The CWMWDB requires accurate and complete reporting of allowable stand-in costs.

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SECTION V - PROCUREMENT PROCESS

A. Levels

The CWMWDB groups procurement requirements for materials and services into three levels, in accordance with 2 CFR 200.320 and 2 CFR 200.323. The levels are defined as:

1. Level 1 – Large purchases and contracts:
Amounts above \$150,000 which is below the current SAT (Simplified Acquisition Threshold), published in the FAR (Federal Acquisition Regulations):
 - a. Must be procured by competitive proposals, meeting the standards outlined in 200.320(d) for broad publication and solicitation as well as technical evaluation. See also detailed requirements in Section VI below.
 - b. Cost or price analysis must be performed on all bids in this category.
 - c. An independent estimate must be formed in advance of proposals received.
2. Level 2 – Small purchases:
Amounts less than the current SAT published in the FAR but more than \$5,000:
 - a. Price or rate quotations must be obtained from an adequate number of qualified sources.
 - b. Price comparisons must be documented.
4. Level 3 – Minor purchases:
 - a. Amounts less than \$5,000:

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- b. Aggregate dollar amount does not exceed \$5,000.
- c. Price deemed reasonable. Written quotes from qualified sources, shared service or common good purchases, catalog or market price reviews, and other means will be undertaken to establish price reasonableness and to foster economy and efficiency in all purchasing decisions.
- d. Distribute purchases equitably among suppliers.

B. Cost Estimates

- 1. In developing cost estimates for prospective purchases, consider the maximum anticipated need for related items or services over an estimated period of 12 months. If there is any reasonable likelihood that costs may exceed the highest dollar limit of the applicable procurement level, use of the next higher procurement level is strongly recommended.
- 2. In relation to contractors of operating services, whether evidenced by lease or not, procurement level procedures shall be followed in terms of items or services over an estimated period of 12 months. The recommended cost or price analysis for the above purchasing levels is considered minimum and can be exceeded. Authorization to use a given procurement method rests with the CWMWDB Executive Director or her/his designee.

C. Competitive Proposals

- 1. Program Services:
 - a. The competitive proposal process is the preferred method for procuring goods and program services costing more than the current Single Acquisition Threshold of \$150,000.
- 2. One-Stop Operator
Competitive procurement is the required process for procuring One-Stop Operators (once every four years) and subrecipients to provide WIOA program services (once every three years). Competitive proposal documents should include:
 - a. *Statement of Work or Specifications*, which explains what needs to be accomplished. This is the portion of the solicitation that defines the program goals and objectives. It represents a description of the services to be acquired;
 - b. *A description of the requirements for the time, place, and method for performing services*;
 - c. *Required certifications, assurances, and representations, which may include lobbying, debarment, and suspension; non-discrimination and equal opportunity; drug-free workplace; signature authority; ownership; organization; management capabilities; financial resources; and audit history*;
 - d. *Required forms, units and line items for standardization and comparison*;
 - e. *Submission and preparation instructions*;
 - f. *The evaluation criteria*;
 - g. *The selection process*; and
 - h. *The appeal process*[es](#).

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3. All competitive proposal responses will be evaluated pursuant to the criteria identified in the proposal document. The following evaluation procedures generally apply:

a. *Initial Proposal Review: Upon opening proposals, staff will conduct an initial review of proposal packages to determine completeness and adherence to the requirements defined in the document. Incomplete and other non-responsive proposals will be removed from further consideration.*

b. Technical Evaluation:

- i. Evaluation criteria and selection methodology will be listed in the procurement document.
- ii. Staff will develop an evaluation form for use in the evaluation process.
- iii. While evaluation criteria may change from project to project, most proposal reviews shall consider administrative and technical competence, program design, past experience and demonstrated effectiveness in delivering the same or similar services, organization and staff qualifications, and cost as demonstrated in the response.
- iv. For Proposal Requests that have more than 10 responses, a short list will be created by the Executive Director.

4. Factor(s) allowed under federal, state or local law in addition to price or cost may be considered in making an award as long as they do not conflict with law or the spirit of WIOA and public charity status.

5. An evaluation committee will be established to discuss ratings and to select respondent.

6. The evaluation committee may, at its discretion interview any or all proposers to clarify responses and/or elicit additional information by requesting the information from all respondents to assist in making a final determination.

7. Documentation describing the evaluation and selection process will be maintained by staff.

D. Other Professional Services and Goods

Competitive procurement is also the preferred method for professional services and other goods and services totaling more than \$50,000 (and may also be used for those less than \$50,000, as deemed appropriate).

1. A Request for Proposals or Bids shall be widely distributed to interested providers and/or contractors and/or advertised in one or more newspapers that will reach the provider and/or contractor audience for a period of no fewer than ten (10) days.

2. A list of interested bidders will be continually updated. A contract or purchase shall be awarded to the most responsive and responsible bidder whose bid, conforming to the requirements of the invitation and subject to negotiation, is reasonable in price. Any or all bids may be rejected when it is in the best interest of WSW.

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E. Competitive Negotiation

1. Notice

Notice elements are to include:

- a. Posting on the CWMWDB website (<http://cwmwdb.org>);
- b. Advertising in one or more papers of general circulation within the workforce area;
- c. CWMWDB Program Staff notification to CWMWDB Board of Directors of upcoming RFP solicitations;
- d. Posting of RFP must be out for solicitation for a minimum of 30 days if procuring One-Stop Operators or for program subrecipients;
- e. Direct local contact, which includes contacting known referrals and entities that have expressed specific interest for inclusion on the CWMWDB contractor list and subrecipient interest list; and
- f. May include direct national solicitation, which may include known referrals and national entities that have expressed interest for inclusion on CWMWDB's contractor and subrecipient provider lists.

2. Contractor/Subrecipient List

The CWMWDB shall maintain, where practical, "Contractor/Subrecipient" lists. Such lists are intended to provide an opportunity for potential providers to be included in procurement opportunities. Providers may be purged from the list after two (2) years or after failure to respond to a solicitation, whichever may occur first. All providers and contractors representing small businesses, minority-held and/or female-owned businesses, faith-based and community-based organizations are encouraged to participate in CWMWDB procurements.

3. Solicitation Contents

As applicable, Request for Proposals, Request for Qualification, and Request for Bids shall include the following information:

- a. Name and address of awarding agency;
- b. Name and contact information of person to contact;
- c. General description of the sub-grant program, including identification of the applicable federal and state laws and regulations with which the subrecipient must comply;
- d. Scoring parameters;
- e. The population to be served and minimum service levels to specific target groups;
- f. An estimate of the number/range of individuals to be served and expected results in each activity;
- g. Applicable coordinator requirements;
- h. Funding parameters by activity;
- i. A description of the training and/or services to be provided, including the period of performance;
- j. Applicable monitoring and reporting requirements, including, but not limited to, data entry, performance, and financial reporting;
- k. Criteria for performance and fiscal accountability;
- l. Other services or requirements (e.g., responsibility for eligibility determination, responsibility for support payments, audit requirements, etc.);

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- m. Prohibition against subcontracting without prior approval;
- n. Line item budget of proposed costs, including any profit to be realized and/or funds to be contributed;
- o. Budget explanation sheet to explain allocated item(s) that are not self-explanatory on the line item budget;
- p. Documentation to be supplied by the proposer to establish programmatic and financial capability to perform work;
- q. Requirements for preparation and submission of the proposal, due date and time, content and format, number of copies, and the location and the person to whom the bid should be submitted;
- r. Process and procedure by which the proposals will be evaluated for competitiveness, including identification of specific criteria to be used;
- s. Description of the procedures for responding to bidder inquiries and a schedule for the receipt of proposals, and approximate dates for review and award;
- t. Appeal procedures for contesting the procurement result;
- u. Assurances that the proposer will comply fully with nondiscrimination and equal opportunity provisions, as well as all the applicable requirements imposed by WIOA laws and regulations, including federal law and grant requirements; and
- v. All significant evaluation factors, including price or cost.

4. Request for Proposals (RFP)

The RFP is a set of documents that includes a description of the product(s) or service(s) desired, enabling a potential contractor/subrecipient to submit a proposal. The RFP will include information necessary to evaluate proposals submitted.

An RFP method is used when:

- a. The service needed precludes developing a specification or purchase description so precise that all proposers would have an identical understanding to approach the requirements; and
- b. Two or more responsible suppliers are likely to be willing and able to complete effectively for the award.

5. Request for Qualifications (RFQ)

An RFQ is used when the same conditions listed under the definition for RFP exist and WSW wishes to solicit several qualified providers who will work as a team to

6. develop the service delivery system. It may also be used to solicit and determine qualified providers from which a Competitive Negotiated Procurement will result.

7. Request for Bids (RFB)

The RFB is a document that includes a brief description of the product(s) or service(s) desired, enabling a potential contractor to submit a proposal. The RFB will include information necessary to evaluate proposals submitted. An RFB differs from an RFP, in that an RFB simply asks for the price based on industry-standard specification generally known or applied industry-wide. An RFB is used to establish the exact specifications

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desired, and, when evaluated, will determine the successful bidder.

An RFB is appropriate when:

A complete, adequate, and realistic specification or purchase description is available;

- a. Two or more reasonable suppliers are likely to be willing and able to compete effectively for the award; The procurement lends itself to a firm fixed-price contract; and
- b. When selection of a contractor based wholly on price is appropriate and reflective of the nature of the products or service being purchased.

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D. Proposal Evaluation

Procurement Commitment and Awards

When awarding contracts and selecting qualified providers for employment and training services, consideration will be given to such matters as whether the subrecipient has:

1. Adequate financial resources or the ability to obtain them;
2. The ability to meet the program design specifications that consider the WIOA and/or funding source purpose and goals at a reasonable cost, as well as the ability to meet performance goals/standards;
3. A satisfactory record of past performance in job training, basic skills training or related activities, including demonstrated quality of training, retention in training, training completion, reasonable drop-out rates from past programs, participant placements, rates of licensure, retention in employment, and earning rates of participants;
4. The ability to provide services that can lead to the achievement of competency standards for participants with identified deficiencies;
5. A satisfactory record of integrity, business ethics and fiscal accountability;
6. The necessary organization, experience, accounting and operational controls; and
7. The technical skills to perform the work.

E. Procurement File Standards

Procurement records and files for large purchases shall include the following at a minimum: a) the basis for subrecipient selection; b) justification for lack of competition when competitive bids or offers are not obtained; and c) a cost or price analysis.

Procurement records will be retained for three (3) years after final payment on a contract. Records will be located at the office at 77 Winthrop Street, Augusta, Maine or the physical main office successor.

Records should detail the significant history of procurement.



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These records may include, but are not necessarily limited to, the following:

1. Rationale for the method of procurement (small purchase, request for proposal, etc.);
2. The selection of agreement type (cost reimbursement or fixed price);
3. Awardees' selection or rejection;
4. Copy of the solicitation package;
5. Copy of the public notification;
6. Bidders' list to which notices were mailed;
7. List of all organizations/entities that received the RFP;
8. Agenda and minutes of a bidders' conference, if held;
9. Written responses to all clarifying questions received outside of the bidders' conference;
10. Copy of each proposal received;
11. Documentation of the rationale for selection and funding of any proposer that did not receive the highest score/ranking in the evaluation process;
12. Completed cost or price analysis for each selected bidder or purchase; and
13. Copy of any submitted protests and the resolution of each.

NONCOMPETITIVE NEGOTIATION (SOLE SOURCE)

Noncompetitive (sole source) negotiation is procurement through solicitation of a proposal from only one provider or contractor. Sole-source procurement may be used when the award of a contract is infeasible under large, small, or minor purchase procedures.

Circumstances under which a sole-source contract may be awarded include the following:

- the services or goods are available only from a sole source;
- unavoidable urgency for the services or goods will not allow time for a competitive solicitation;
- the funding source authorizes noncompetitive proposals;
- a contractor possesses unique capacity or is uniquely qualified to provide the goods or service; or
- after a public solicitation, competition is determined inadequate.

All sole-source purchases shall be documented, including:

- the reason why regular large, small, or minor purchase procedures were infeasible;
- which sole-source rationale was applied;
- a cost analysis; and
- signed authorization for the sole-source award.

CLEO, WIOA MOU AND OTHER PARTNERSHIP AGREEMENTS

It is recognized that the CWMWDB is required to enter into cooperative type agreements or memorandum of understandings (MOU) with the Chief Elected Officials for its operation as a fiscal agent and is required to enter into another MOU with its WIOA Workforce System required partner agencies.

These agreements/memoranda of understanding generally relate but are not limited to shared resource and infrastructure costs and their distribution which includes



clarifying relationships/responsibilities and another interagency collaborative undertakings and inkind work and/or delegating authority for WIOA processes.

END

DEFINITIONS OF COMMON TERMS

Acquisition: The process of purchasing goods and services through purchase, rent, or lease. Includes the establishment of needs, description of requirements, selection of procurement method, selection of sources, solicitation of procurement, solicitation for offers, award of contract, financing, contraction administration, and related functions.

Capital Equipment: An article on non-expendable (tangible) personal property having a useful life of more than one (1) year and an acquisition cost of \$5,000 or greater per unit. Items that cost less than \$5,000 or have a useful life of less than one (1) year are considered materials and supplies.

Competitive Negotiation: A method for purchasing goods and services, usually of a highly complex and technical nature whereby qualified individuals or agencies are solicited by means of a Request for Proposals. Negotiations are conducted; the best proposal, as judged against criteria contained in the Request for Proposals, is accepted; and an award is issued.

Contract: An agreement enforceable by law between two or more parties.

Contract Administration: The management of all facets of a contract to assure that total performance is in accordance with contractual commitments and that the contract obligations are fulfilled.

Contract Modification: Signed formal written change in the terms of the original contract.

Contractor: An individual or agency that has entered into an agreement to provide goods or services.

Cost Analysis: A cost analysis must include a documented review and evaluation of each element of cost to determine reasonableness, allocable and allowable. Specific cost analysis methods are further outlined in Section VI of this policy.

Cost Reimbursement Contracts: Contracts based on payment by an agency to a contractor or subrecipient of allowable, reasonable, and allocable costs incurred as prescribed in the contract. These contracts may not require completion of the contract work, but rather the best efforts of the subrecipient. The types of cost reimbursement contracts include: (a) cost; (b) cost sharing; (c) cost plus fixed fee; (d) cost plus incentive fee (CPIF); and (e) cost plus award fee (CPAF).

Davis Bacon Wages: Wage determinations issued by the Department of Labor, which determines the minimum wage rates to pay on federally funded or assisted construction



projects. The prevailing wage rate corresponds directly to the union wage. This is especially true in urban areas, where union membership tends to be higher.

<http://www.dol.gov/esa/programs/dbra/whatdbra.htm>

Effective Competition: A market condition that exists when two or more contractors/subrecipients, acting independently, actively compete for an agency's business in a manner that ensures the agency will be offered the lowest price or best technical design to meet its minimum needs.

Eligible Provider: The term "eligible provider," used for (a) training services, means a provider who is identified in accordance with WIOA regulations; (b) youth activities, means a provider who is awarded a grant or contract in accordance with WIOA; or (c) a One-Stop Operator designated or certified under WIOA.

Evaluation of Bids: The process of examining a bid after opening to determine the bidder's responsiveness to requirements, responsibility, and other characteristics of the bid relating to selection.

General Terms and Conditions: Standard clauses and requirements incorporated into all solicitations (bids/RFPs/RFQs) and resulting contracts that are derived from laws or administrative procedures (also called "boilerplate" or "terms and conditions").

Informal Solicitation: A solicitation that does not require a sealed response.

Informality: A minor defect or variation of a bid or proposal from the exact requirements of the invitation for bids or the request for proposals, which does not affect the price, quality, quantity, or delivery schedule for the goods, services or construction being procured.

Price Agreement: A written contractual agreement, in which a purchaser contracts with a contractor to fulfill the purchaser's requirements at a predetermined price. Usually involves a minimum number of units, orders placed directly with the contractor by the purchaser, and limited duration of the contract.

Price Analysis: The process of examining and evaluating a proposed price by comparing it with other offered prices, market prices or prices previously paid for similar goods or services.

Procurement: The procedures for obtaining goods or services, including all activities from the initial planning steps; preparation and processing of a requisition; receipt and acceptance of delivery; processing of a final invoice for payment; closeout, audit, and the resolution of any outstanding issues.

Professional Services: Work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy, or professional engineering, etc.



Project Manager: A third party consultant or employee that works for the owner and coordinates the activities of a project. Assists with the development of specific strategies of the project (including bidding and contracting), establishing time frames and benchmarks for the project and assisting the owner in hiring other professional services; reviews plans and drawings and makes recommendations to the owners; monitors the budget of all phases of the project; works with all consultants; monitors the day-to-day work progress of the contractor/subrecipient; and assists the owner in close-out.

Program Income: Gross income earned by the contractor/subrecipient that is directly generated by a supported activity or earned because of the award. Program income includes, but is not limited to, income from fees for services performed; the use of rental or real personal property acquired under an award; license fees and royalties on patents and copyrights; and interest on loans made with award funds. Interest earned on advances of federal funds is not program income. Except as otherwise provided in federal awarding agency regulations or the terms and conditions of the award, program income does not include the receipt of principal on loans, rebates, credits, discounts, etc., or interest earned on any of them.

Purchase Order: A document an agency uses to execute a purchase transaction with a contractor. It serves as notice to a contractor that an award was made.

SAT ("Simplified Acquisition Threshold"): A dollar amount set by the federal government and published in Federal Acquisition Regulations (FAR). Items valued above this amount are subject to procurement by competitive bid. Items valued below this amount are subject to small or micro-purchase procedures.

Stand-In Costs: Non-federal costs that may be substituted for otherwise unallowable costs charged to the funding source. Stand-in costs must be: 1) incurred; 2) incurred in the same grant as the costs that they replace; 3) reported as stand-in cost to the funding source; 4) included on the grantee/subrecipient/contractor financial system; 5) adequately documented; and 6) for allowable activities. Cash match more than any funding source match requirement may be considered a stand-in cost.

Statement of Work (SOW): That portion of the contract that clearly and concisely defines requirements of the specific work to be accomplished. Statements of work are tailored to consider the period of performance, deliverable items, if any, and the desired degree of performance flexibility.

Subcontract: An agreement between a prime or general contractor/subrecipient and a subcontractor for the execution of a portion of the contractual obligation of the prime contract.

REVISIONS

These procurement policies, practices, and procedures may be revised from time to time



CWMWDB Procurement Policy
Policy #2020-02
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without prior notice by the CWMWDB.

END

Adopted 1/28/2020 by the CWMWDB and CEO.