WORKSOURCE DISPUTE RESOLUTION POLICY

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I. PURPOSE

The purpose of this policy is to establish and describe the process by which the South Central Workforce (SCW) shall manage and process disputes related to contracts, allotments, monitoring and oversight outcomes, and administrative agreements and memoranda involving local and/or WorkSource Partners.

II. BACKGROUND

Disputes between the SCW, contractors, and other WorkSource Partners may arise regarding contracts, allotments, monitoring and oversight outcomes, and administrative agreements and memoranda involving local and/or system partners. WorkSource System Policy 1025 requires that each Local Workforce Development Board (LWDB) develop and implement a local dispute resolution policy and processes that describe the method by which the local area shall resolve disputes; and procedures to be followed by the State in the event disputes cannot be resolved at the local level, including procedures to be followed when the State has a conflict of interest.

III. PROCEDURES

A. Dispute resolution must be conducted in alignment with the coordination, communication, and escalation expectations outlined in the region's Memorandum of Understanding (MOU), including the One-Stop Operator's (OSO) role in facilitating partner coordination when disputes involve operational or system-level issues.
   1. The OSO shall facilitate coordination among partners when disputes involve operational, service delivery, or system-level issues, consistent with the MOU and WorkSource System Policy 1016.

B. Dispute resolution involving the SCW, contractors, and other WorkSource Partners related to contracts, allotments, monitoring and oversight outcomes, and administrative agreements and memoranda will proceed as follows:
   1. SCW must provide written acknowledgment of receipt of the dispute, including acceptance or rejection of the dispute and next steps.
   2. Resolution of disputes between or among WorkSource Partners should be made at the lowest possible level.
   3. Attempts to resolve the dispute will begin with negotiations between the disagreeing parties.

4. Parties to disputes are expected to put forth good faith efforts to communicate and compromise to resolve disputes in a cooperative and timely manner.
5. All actions taken to resolve disputes will be documented. Documentation must include dates, parties involved, actions taken, communications, and outcomes, and must be retained for a minimum of three years consistent with federal record retention requirements.
6. Should the parties fail to resolve their dispute through negotiations within 30 days, they will notify SCW of the dispute and provide a written explanation of the matter. SCW executive management will review the dispute and provide a written recommendation within 30 days of the written explanation.
7. Should resolution fail to be achieved, or if SCW is one of the parties to the dispute, the Chief Local Elected Official (CLEO) will be called upon, through SCW, for assistance and further mediation. Should arbitration by the CLEO prove unsuccessful within two weeks, parties may submit a grievance, as provided by SCW's Grievance Procedure, or follow the procedures provided by Washington State for the purposes of carrying out activities under the Workforce Innovation and Opportunity Act (WIOA).
8. Parties must be informed in writing of their right to elevate disputes to the ESD Commissioner and, if unresolved, to the U.S. Department of Labor under WIOA Sec. 181(c).
9. If the resolution process fails and the disagreement proceeds, entities in disagreement may appeal to the funding source. In cases where the Employment Security Department (ESD) is the funding source, parties must first attempt a resolution between ESD and SCW.
10. Where a resolution cannot be reached, the grieving parties may appeal to the ESD Commissioner in writing, notifying them of the impasse, outlining the issues, and including documentation of the attempts to resolve the dispute.
    a. The ESD Commissioner, in consultation with the appropriate CLEO, must offer a resolution within 30 calendar days of receiving appeals per WorkSource System Policy 1013, Revision 4.
    b. The Commissioner may seek alternatives to proposed resolutions.

C. Dispute resolution involving ESD will proceed as follows:

1. Resolution will first be attempted at the local level.
2. If the issue cannot be resolved at the local level, any party to the dispute may request the services of an independent mediator or hearing officer.
    a. The selection of the hearing officer must be concluded within 10 business days.
    b. Each party to the dispute will identify one representative.
    c. From a list of three mediators/hearing officers identified through a mutually agreed upon source (e.g., local dispute resolution councils, State Department of Enterprise Services, etc.), each representative will eliminate one individual, with the remaining individual selected by the process of elimination.
    d. The parties to the dispute will share the cost of the mediator/hearing officer equally.
    e. The mediator/hearing officer must, within 30 calendar days of being retained, deliver a recommendation, in writing, to the ESD Commissioner.
    f. The ESD Commissioner will have five business days to render a decision by accepting or rejecting the recommendation. The recommendation may only be rejected through "just cause" allowances:

(i) Undisclosed conflict of interest on the part of the mediator/hearing officer.
(ii) Clear misapplication of the law and/or regulations.
(iii) The finding does not fit the record of facts of the case.

a. If the ESD Commissioner rejects the mediator/hearing officer recommendation, the parties to the dispute may appeal the decision to the U.S. Department of Labor as described in WIOA Section 181(c).

D. Per WIOA Section 121(h) and 2 CFR 678.725-750, local disputes related to funding the WorkSource infrastructure costs are exempt from this policy and will instead be addressed through the application of the state one-stop funding mechanism determined by the Governor and subject to a state-level appeals process established by the Governor. See WorkSource System Policy 1024, Revision 2.

REFERENCES

- 20 CFR 683.725-750
- WIOA Sections 121 and 181
- WorkSource System Policy 1013, Revision 4
- WorkSource System Policy 1016, Revision 2
- WorkSource System Policy 1024, Revision 2
- WorkSource System Policy 1025
- Generally Accepted Accounting Procedures (GAAP)