

**SOUTH CENTRAL OKLAHOMA WORKFORCE BOARD, INC.**

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Telephone Relay Service is available by dialing 711 or 800-722-0353

**SUBJECT:** Contract Dispute Policy

**PURPOSE:** To establish a local policy describing how disputes related to contract performance will be resolved between the South Central Oklahoma Workforce Board and its WIOA Title I Service Providers.

**AUTHORITY:** OETI 11-2003, Change 2, provides that “Each contract written at the LWIB level must contain elements as described in this policy.”

**BACKGROUND:** Contracts written with WIOA Title I service providers include a general description of a dispute resolution process, as follows:

**“Dispute Resolution**

**“The parties agree to use informal administrative processes and negotiation in attempting to resolve disputes arising from this contract. The parties shall continue performance of the contract activities during such dispute, unless otherwise directed by the State of Oklahoma or USDOL, or unless the situation requires an Emergency Suspension as described in Section 1, or unless mutually agreed to by the parties. Should the dispute not be resolved at this level within ten (10) business days of such request, the LEO, or its designated committee, shall review the disputed matter and after consultation with Board Staff and/or Fiscal Agent (as appropriate) and the Contractor, shall resolve same within 20 business days and such decision shall be rendered in writing and become binding to all parties; however, the resolution of any dispute involving disapproved costs shall ultimately rest with the Fiscal Agent at the local level. Nothing in this paragraph shall imply that the Contractor is prevented from appealing LEO or State decisions pursuant to WIOA regulations.**

**“After administrative processes are exhausted, all parties agree that any legal action brought in relation to this contractual agreement shall be brought in the District Court for Oklahoma County of the State of Oklahoma, or for Federal actions, in the Western District of the U.S. Courts in Oklahoma City, Oklahoma.”**

**Caddo County, Grady County, McClain County, and City of Chickasha Labor Market Area  
Comanche County, Cotton County, Tillman County, and City of Lawton Fort Sill Labor Market Area  
Jefferson County, Stephens County, and City of Duncan Labor Market Area**

This policy expands upon and provides a more precise description of the methods, procedures, and protocols that will be used by the SCOWB to resolve disputes related to contract performance.

**STATE REQUIREMENT:** In developing a policy/method for the resolution of disputes, the South Central Oklahoma Workforce Board must be mindful of the requirements of its State funding source. The Oklahoma Employment Security Commission addresses “Dispute Resolution” in Oklahoma Employment and Training Issuance #11-2003, Change 2, “State Procurement and Contract Policy,” dated April 30, 2008. This issuance states:

“MINIMUM STANDARDS – Each contract written at the LWIB (Local Workforce Investment Board) level must contain elements as described in this policy...

“4. Boilerplate Terms and Conditions

“A. Contracts with vendors – The following terms and conditions are considered by the State to be the minimum to be included in any contract between a LWIB grant recipient and a vendor or service provider (over \$25,000 in services or goods)....

“(6) Dispute Resolution – Must define a method for resolution of disputes related to contract performance

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**POLICY:**

1. STEP ONE – Informal process (10 business days). The parties agree to use informal administrative processes and negotiation to resolve disputes. If the dispute can't be settled within 10 business days, then the LEO or its designated committee shall review the disputed matter.

A. Definition – A “dispute will be recognized to exist when there is a claim or disagreement or other issue that remains unresolved following an initial discussion between authorized representatives of the parties.

1. The existence of the dispute may be acknowledged by one or both parties.

2. The existence of a dispute should be documented by a written “request” for resolution being made by one party to the other.

B. Upon recognition that a dispute exists, the parties should use informal administrative process and negotiation to resolve the disagreement, claim, or other issue

C. The parties should document their efforts to resolve the dispute. At a minimum, those efforts should include conversations, written communications, and meetings to discuss the nature of the dispute and possible administrative solutions.

D. If, following informal efforts to achieve a resolution, the dispute remains unresolved, one or both parties may submit the issue in the form of a request to the Chair of the Board of Local Elected Officials – hereafter referred to as the Chief Local Elected Official (CLEO) of the South Central Oklahoma Workforce Investment Area.

1. The request to the CLEO should describe the nature of the dispute and the efforts that have been made to resolve it in an informal administrative fashion. Additionally, the request should identify the term or requirement of the contract that is in dispute, and it should identify a proposed resolution.

2. The request should be made in writing to:

Chief Local Elected Official  
South Central Oklahoma Workforce Board

Duncan, OK 73533

3. The CLEO will review the efforts that have been made to resolve the dispute in an informal administrative fashion. If it is determined that it is appropriate to do so, the CLEO will refer the dispute the LEO Board or its designated committee for review and resolution.

**II. STEP TWO – LEO review (20 additional business days). The LEO or its committee shall review and resolve the matter within 20 business days after a written request has been received by the Chief Local Elected Official. There shall be consultation with the Board Staff and/or Fiscal Agent (as appropriate) and the Contractor.**

A. The LEO or its designated committee will investigate the issue(s) described in the request for dispute resolution. To assist in this investigation, the LEO or its committee may also rely on the assistance of the Fiscal Agent and/or Board Staff (if they are not involved in the dispute). SCOWB member volunteer(s), or other individual(s) designated

by the LEO. The investigation may include: interviews of the involved parties, gathering of documentation, review of the contract terms and conditions, research of applicable law, and requests for technical assistance from OESC and/or USDOL.

B. The LEO's designated committee may be a committee of the South Central Oklahoma workforce Board. The committee may be appointed or designated jointly with the Chairperson of the SCOWB.

1. The committee shall function pursuant to the terms of the Open Meeting Act. The committee shall consult with the Board Staff and/or Fiscal Agent (as appropriate) and the contractor.

2. The committee may refer the dispute to an impartial mediator who may be called upon to further consult with the parties and to return a non-binding recommendation to the committee.

C. The LEO or its designated committee shall resolve the dispute by rendering a decision. The decision shall be issued within 20 business days of the date on which the CLEO referred the dispute for review and resolution.

1. The decision shall be rendered in writing.

2. The decision will become binding to all parties, except that the resolution of any dispute involving disallowed costs shall ultimately rest with the Fiscal Agent at the local level. Nothing in this paragraph shall imply that the contractor is prevented from appealing LEO or State decisions pursuant to WIOA regulations.

**III. APPEAL RIGHTS.** If the contractor believes that there has been a violation of any requirement of Title I of the Workforce Innovation and Opportunity Act, an appeal may be filed with the Director of the Workforce Integrated Programs division of the Oklahoma Employment Security Commission (OESC). The appeal process is described in the OESC Rules – 240:21-11-21 to 240:21-11-34.

**IV. LEGAL ACTION.** After administrative processes are exhausted, all parties agree that any legal action brought in relation to this contractual agreements shall be brought in the District Court for Oklahoma County of the State of Oklahoma, or for Federal actions, in the Western District of the U.S. Courts in Oklahoma City, Oklahoma.

**APPROVED: June 9, 2016**