

MEMORANDUM

DATE: July 1, 2021

TO: Local Workforce Development Board Executive Directors *Keantha B. Moore*

FROM: Keantha B. Moore, Administrator, Bureau of One-Stop and Program Support

SUBJECT: Reimagining Education and Career Help Act (House Bill 1507) and Related Party Contracts

The Reimagining Education and Career Help (REACH) Act (House Bill 1507), has been signed into law and is effective **July 1, 2021**. The REACH Act creates several strategic opportunities to enhance and expand services provided through Florida's workforce development system by promoting, encouraging, and taking bold steps towards unification of partner programs and agency coordination. The Act also strengthens oversight, accountability and transparency measures for the system. Additionally, the REACH Act contains operational and administrative requirements for related party contracts.

Effective July 1, 2021, the REACH Act serves as the authority for related party contract requirements. This memorandum serves to reconcile any differences between current state policy and agreements between the Department of Economic Opportunity (DEO) and local boards until applicable policies and agreements are updated to align with the requirements in the REACH Act.

Related Parties

A related party includes any:

- Local board member;
- Employee of the local board;
- Relative (see [s. 112.3143\(1\)\(c\)](#), Florida Statutes) of a local board member or employee of the local board; or,
- Organization or individual represented by or employing a local board member.

Process for Related Party Contracts

Using the process and documentation requirements outlined in [CareerSource Florida Strategic Policy 2012.05.24.A.2](#) and [Section 15. Related Parties in the Grantee Subgrantee Agreement](#), local boards must submit all related party contracts via email to DEO at: WorkforceContract.Review@deo.myflorida.com.

Related party contracts, as well as documentation demonstrating adherence to these requirements as specified by DEO, must be submitted to DEO for review and approval prior to execution of the contract. Contracts subject to these requirements may not be included on the local board's consent agenda.

Noted Exception: Contracts under \$10,000 between the local board and either a relative (as defined in s. 112.3143(1)(c)) of a local board member or of an employee of the local board, or an employee of the local board, do not require prior approval by DEO. However, such contracts must be reported to DEO and CareerSource Florida via email at: WorkforceContract.Review@deo.myflorida.com within 30 days of approval by the local board.

Posting Related Party Contracts to Local Board's Website

All related party contracts approved on or after July 1, 2021, must be published on the local board's website within 10 days after approval by the local board or DEO, whichever is later, and must remain published on the local board's website for at least one year after termination of the contract.

If you have questions, please submit them to the Governance Team via email at:

LWDBGovernance@deo.myflorida.com.

cc: Steven Gustafson
Charles Williams
Christa Nelson