



Missouri WIOA Infrastructure Cost Sharing Guidelines

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INTRODUCTION

The state of Missouri has designated 14 local workforce development areas (LWDA). Local governance begins with the chief elected official(s) (CEO) who are financially liable for the funds that are allocated by the State through a Subgrant agreement to the LWDA. The CEO(s) are also responsible for appointing Local WDB members, approving the Local WDB's local workforce plan and budget, and serving as the local grant recipient or designating an entity to serve as a fiscal agent. Local WDBs are responsible for defining and overseeing strategies, goals, objectives, and benchmarks for the use of grant funds. They are also responsible for conducting outreach with the education institutions and the many chambers, councils, business associations and community partners in their LWDA's.

Staff to each of these Local WDBs:

- Provide local oversight and administration of grant activities, performance, and funds;
- In most instances, assist in the development of contracts and identify targeted employer groups and high-priority occupations, wage expectations, and reimbursement rates;
- Develop monitoring tools for their use in maintaining quality assurance and measuring compliance of grant funds, activities and services;
- Coordinate with Missouri Job Center teams to ensure successful implementation of the grant and provide performance reports and recommendations; and
- Conduct outreach with various community, economic development and education partners, as well as disseminate information through a variety of local media outlets.

Missouri's Job Center Delivery System is charged with enhancing the range, integration, and quality of workforce development services available to job seekers and businesses through a coordinated approach among partner agencies. Services may be delivered at full-service physical Centers, known as Comprehensive Job Centers and may also be accessed through physical or virtual sites, known as Affiliate Centers or Satellite sites, that have focused, targeted services. Each Local WDB provides policy, oversight and strategic direction to the Job Center System through its One-Stop Operator(s).

Background

The Missouri WIOA Steering Committee has prepared this document to provide local workforce development areas with the necessary guidance to consistently establish infrastructure cost sharing agreements as part of the Memoranda of Understanding (MOU) with partners in compliance with the Workforce Innovation and Opportunity Act (WIOA). These guidelines provide a methodology by which local Job Centers share infrastructure costs and resources, with the goal of maximizing the value and benefits provided to jobseekers and businesses. The development of MOUs can be broken down into two stages. During the first stage, **Service Coordination**, Local Boards and co-located partners in the local area are expected to develop an agreement surrounding the operations of the Job Center system and as it pertains to shared services and customers. The second stage, **Shared Resources and Costs**, Local Boards and co-located partners will not only build off of the agreements from the Service Coordination stage, but also determine how to best support their established service delivery model, through the sharing of costs and resources that are associated with customer benefit and approved by all partners.

Glossary

Term	Definition
Co-location	<i>Co-located Partners</i> Job Center partners who have a physical presence within the center(s), either full time, part time, or intermittent.

	<p><i>Non Co-located Partners</i> Job Center partners with no physical presence in the center(s).</p>
Comprehensive Job Center	<p>A physical location within a local workforce development area that provides access to career services, training services, employment services, and all required programs and activities of all required partners.</p>
Contributions	<p><i>Cash Contributions</i> Cash funds used to cover a partner's proportionate share of the Job Center Infrastructure costs. Can be paid either directly from the partner or through an interagency transfer on behalf of the partner (WIOA Joint Final Rule Section 678.720c).</p>
	<p><i>Non-Cash Contributions</i> Expenditures made by one partner on behalf of the Job Center or contributions of goods or services contributed by a partner for the center's use. Contributions must be valued consistent with Uniform Guidance 2CFR200.306 (WIOA Joint Final Rule Section 678.720c).</p>
	<p><i>Third Party In-Kind Contributions</i> Contributions by a non-Job Center partner to support the Job Center in general, not a specific partner; or contributions by a non-Job Center partner to a Job Center partner to support its proportionate share of the infrastructure costs. Unrestricted contributions that support the Job Center in general would lower the total amount of infrastructure costs prior to proportionate division whereas restricted contributions can be used by the intended partner(s) to lower their share of the infrastructure costs (WIOA Joint Final Rule Section 678.720(c)(4)).</p>
Full-time Equivalent (FTE)	<p>The ratio of the total number of hours worked (whether part-time, full-time or contracted) divided by an average full-time work week (e.g., 40 hours).</p> <p><i>Example: One employee who works 20 hours per week is expressed as .5 FTE.</i></p>
Infrastructure Costs	<p>The non-personnel costs that are necessary for the general operation of the physical Job Center, including:</p> <ul style="list-style-type: none"> • Rental/lease costs of facilities • Costs of utilities and maintenance • Equipment (including assessment-related products and assistive technology for individuals with disabilities) • Technology to facilitate access to the center, including the center's planning and outreach activities
Local Infrastructure Funding Mechanism	<p>The method used to cover infrastructure costs of the local <i>comprehensive</i> Job Center (s) in a local area when all co-located partners agree about how those costs will be shared. Cash, in-kind contributions and philanthropic or private funds are allowable for each required partner to use to cover their fair share of the infrastructure costs under this mechanism. Under this mechanism, there is no maximum amount that each required partner can contribute to the center's infrastructure costs other than what is outlined in program-specific statutes.</p>
Memorandum of Understanding (MOU)	<p>A document defining the agreement between the local board, CEOs and co-located partners relating to the operation of the workforce delivery system in the local area, including shared system and infrastructure costs.</p>
Proportionate Share	<p>An amount that represents a required partner's portion of comprehensive Job Center infrastructure costs based on its proportionate use of the Job Center, relative to benefits received. This amount is determined through a reasonable cost allocation methodology that assigns costs to co-located partners in proportion to relative benefits received.</p>

<p>Required Partners</p>	<p>WIOA identifies 19 required program partners, four of which are “core program partners,” that must provide services in comprehensive Job Centers and share in the cost of maintaining the Job Center delivery system subject to a Memorandum of Understanding (MOU). The 19 co-located partners follow:</p> <ol style="list-style-type: none"> 1. Title IB of WIOA – Workforce Development Activities serving youth, 2. WIOA adults and WIOA dislocated workers 3. Title II of WIOA – Adult Education and Literacy programs 4. Title III of WIOA – Employment Services under the Wagner-Peyser Act 5. Title IV of WIOA – Vocational rehabilitation services under Title I of the Rehabilitation Act of 1973 6. Carl D. Perkins Career and Technical Education Act 2006 – Career and technical education programs at the secondary and post-secondary levels 7. Programs under the Trade Act of 1974 (TAA) 8. Title IV of the Social Security Act [Temporary Assistance for Needy Families (TANF) programs] 9. Senior Community Services Employment Program (SCSEP) 10. Community Services Block Grant (CSBG) – Employment and training activities 11. Housing and Urban Development employment and training activities 12. Unemployment compensation programs 13. Activities under the Second Chance Act of 2007 14. Veterans job counseling, training and placement programs under Chapter 41 of Title 38, United States Code 15. Migrant and Seasonal Farmworkers 16. National Farmworker Jobs Program 17. Job Corps career and technical education for youth 18. YouthBuild education and job pathways 19. SNAP E&T – SkillUP in MO
<p>Shared System Costs</p>	<p>Additional non-infrastructure costs Job Center partners are required to pay. These shared costs may include the cost of shared services authorized for an individual participant, such as intake and assessment costs, as well as shared costs of local board functions like Business Services, Job Center Partner Staff cross training, and Job Center Operator costs. May also include shared personnel (and other non-infrastructure costs) for co-located partners.</p>
<p>State Funding Formula</p>	<p>Example: The formula the Governor uses to determine each required partner's proportionate share of comprehensive Job Center infrastructure costs. This formula is: $(A) \times (B/C) = D$, where: A = Total infrastructure costs Statewide; B = The number of onsite and offsite FTEs each required partner commits to delivery of services in comprehensive one-stop centers Statewide; C = The number of onsite and offsite FTEs all co-located partners commit to delivery of services in comprehensive one- stop centers Statewide; and D = Required partner's proportionate share.</p> <p><i>Example: Total infrastructure costs Statewide = \$5,000,000; Statewide FTEs committed by required partner = 20; Statewide FTEs committed by all co-located partners = 400, equals $\\$5,000,000 \times (20 \div 400) = \\$250,000$.</i></p>
<p>State Infrastructure Funding Mechanism</p>	<p>The method used to cover infrastructure costs of the comprehensive Job Center (s) in a local area when co-located partners are unable to agree on how to share those costs. The amount that each required partner can contribute is capped per WIOA section 121(h)(3)(B). The State Infrastructure Funding Mechanism only applies to certified comprehensive Job Centers in local areas that cannot reach agreement on a cost sharing agreement by June 30th of each year..ⁱ</p>

SCOPE OF GUIDELINES

Multiple sources were used by the WIOA Steering Committee to develop these guidelines, including the WIOA legislation and its final rule, as well as the Code of Federal Regulations (CFR). These guidelines are intended to provide guidance on infrastructure and Job Center delivery cost sharing methods, as well as the development, timeline, and requirements of local Memoranda of Understanding (MOUs).

One of the main goals of WIOA is to strengthen the ability of the public workforce system to align investments in workforce, education, and economic development with Missouri regional in-demand jobs. Another main goal is providing customers with access to high-quality Job Centers that connect them with the full range of services available in their communities. In alignment with these goals is the Missouri Combined Workforce Development Plan (State Plan), which was developed with the following policy objectives in mind:

- Preparing an educated and skilled workforce
- Meeting the skilled workforce needs of employers

To achieve these objectives, the Missouri Job Center system must serve as an all-inclusive access point to both education and training programs that provide demand-driven skills attainment, specifically for those with barriers to employment.

Local Boards are responsible for entering into an MOU with each of the Missouri Job Center partners for each comprehensive site.. The MOU serves as a functional tool, as well as a visionary plan, for how the Local Board and Missouri Job Center partners will work together to create a unified service delivery system that meets the needs of their shared customers. The MOU development process can be viewed in two stages: stage one addresses service coordination and collaboration amongst the partners; stage two addresses how to sustain the unified system through methods such as resource sharing and joint infrastructure cost funding. Local Boards will act as the convener and mediator of the MOU negotiations and have primary responsibility to determine how Job Center services will be delivered within the local area. This role is critical in establishing a high quality Job Center delivery system and enhancing collaboration across program partners.

All aspects of this process are to help facilitate Missouri Job Centers as the cornerstone of Nahan's workforce development system. Collaboration is essential in establishing a quality-focused, employer-driven, and customer-centered system.

Section 1: Infrastructure Cost Sharing Budget Guidance

As defined above, infrastructure costs are those non-personnel costs associated with operating a Job Center. Each local area is expected to reach agreement on how infrastructure costs will be shared among required partners. These guidelines and requirements support the local area's effort in reaching an agreement for the allocation of these costs.

Each local area must develop an infrastructure budget for the comprehensive Job Centers located within their region. The attached sample templates will assist in identifying the costs to be included in the budget, the responsible partners and the methodology to determine the proportionate share with the appropriate partner. The cost sharing and benefits received must be determined in accordance with Uniform Guidance 2 CFR Part 200 + 2900.

The expected approach for funding infrastructure costs in comprehensive Job Centers is through the development of a Local Infrastructure Funding Mechanism where all co-located partners agree how infrastructure costs will be shared. In the event that a local area is unable to reach agreement, a State Infrastructure Funding Mechanism will be put into effect as a last resort and remain in effect until such time that a local area can find consensus. The State Infrastructure Funding Mechanism process is described below.

The local board must select a methodology for the allocation of infrastructure costs. Any methodology selected must be consistent with federal laws that authorize each partner's programs, comply the Uniform Guidance, include allowable, allocable reasonable and necessary costs, and be based on the proportionate use and benefit received by each partner's programs.. Cost allocation options can found in subsection 1.5 *Allocation Options*.

After the comprehensive center's operational budget and the cost sharing methodology are agreed upon, each partner must detail how they will provide their cash, non-cash (in-kind), and/or third party in-kind contributions. Any in-kind and non-cash contributions must be fairly valued in accordance the Uniform Guidance.

1.1 SOURCE OF FUNDS TO PAY INFRASTRUCTURE COSTS

Source	Available Funds to Pay Infrastructure Costs
<i>WIOA Title I</i>	Administrative and program funds
<i>WIOA Title II</i>	Funds available for local administrative expenses or from non-federal resources that are cash, in-kind, or third party contributions
<i>WIOA Title III</i>	Any available funds
<i>WIOA Title IV</i>	Administrative funds
<i>TANF</i>	Funds used for the provision and administration of employment and training programs
<i>Career and Technical Education (CTE)</i>	Funds available for local administration of postsecondary level programs and activities for eligible participant; Funds made available by the state or non-federal resources that are cash, in-kind, or third-party contributions

Co-located partners may meet their infrastructure cost obligations through any of the following methods:

1. Cash contributions as allowed by the statutes and regulations governing each program
2. Locally agreed upon and fairly valued in-kind contributions that provide tangible benefits each local comprehensive site. Each in-kind contribution must meet the following criteria:
 - Be recognized and accepted by all other partners, and
 - Have the effect of offsetting a cash contribution toward local infrastructure costs of the Job Center that would otherwise be due from the partner.

Non-Core Partners should meet their infrastructure cost obligations in accordance with their program guidance and rules.

1.2 RECONCILIATION OF PARTNER CONTRIBUTIONS

The local board is responsible for ensuring that the infrastructure costs are paid in accordance with the MOU. Since the budget and proportionate share are estimates, it is also the responsibility of the local board to reconcile, on a regular basis (e.g. monthly, but no less frequently than quarterly) the actual costs and their proportionate share to the budget contributions agreed upon by each partner. This process is to ensure that all costs remain consistent with the methodology, are up to date, and in compliance with the MOU and Uniform Guidance. In the event that the local Workforce Development Board is a program operator, then the One Stop Operator will hold this responsibility.

1.3 OTHER SYSTEM COSTS

The agreed upon budget for other Job Center system costs must align with the MOU agreement detailing shared customers and services. This budget must include line items for applicable career services and the costs associated

with delivery of those services. The budget may also include shared services, which have been agreed upon by all partners, and provided through the Job Center system. Shared personnel (and other non-infrastructure costs) for co-located partners, for instance. This includes center receptionists and center managers.

As uniform assessments and referral processes are developed, and implemented, future types of applicable shared services may include, but not be limited to, the following:

1. Initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, and referrals to other Job Center partners. This can include costs such as technology and tools, which increase integrated service delivery through the sharing of information and service delivery processes.
2. Business services, which can include costs related to a local or regional system business services team that has one or more partners on the team or has delegated a specific partner to provide business services on behalf of the LWDA/LWDR.
3. Job Center partner staff cross training that can include any staff cross training on partner programs and the eligibility requirements identified in the MOU.
4. The Job Center operator, which may include the system role of the Job Center operator (coordinating service providers across the Job Center delivery system) when the role is not specific to the operation of the Job Center and/or specific partner programs, the role must be defined by the Local Board in the procurement process and agreed to by all Job Center partners in the MOU.

1.4 NEGOTIATING INFRASTRUCTURE COST SHARING AGREEMENTS

The following section details the structured process by which Job Centers can negotiate the infrastructure cost sharing agreement:

Process	Description	Timeline
Information-Sharing	Prior to the kickoff meeting, the entity or entities serving as owner/leaseholder for the designated Job Centers will provide the representative of the WDB, CEOs, and all co-located partners with the following information: <ol style="list-style-type: none"> 1. Information on the term of the lease 2. The specific items of cost covered by the lease 3. The actual costs in the prior year for all line items included which are not covered by the lease 4. In the event that Technical Assistance is needed, a formal request must be made to the state no later than February 1, 2017. 	January
	The WDB or designated representative will: <ul style="list-style-type: none"> • Ensure that co-located partners are provided information on the number of FTEs that co-located partners committed to the operation of the local Job Center delivery system the prior year. • Review and discuss actual costs in the prior year and new needs for the coming budget year. • Obtain all assistance needed to prepare a draft budget for future consideration by all required partners. • Ensure that a draft budget is presented to all co-located partners at least two weeks prior to a second meeting of co-located partners and at least two weeks prior to a second meeting of required partners. • The draft budget will also be submitted simultaneously to DWD by email . 	February

<p>Budget Development and Review</p>	<p>Co-located partners will review the draft budget and make agreed upon revisions. The designated representative must prepare a final budget that allocates agreed-upon infrastructure costs equitably among required partners. The designated representative must distribute the final budget at least two weeks prior to the meeting of required partners.</p> <p>Refer to <i>Section 1.5</i> for information on budget allocation options.</p>	<p>March</p>
<p>Budget Approval</p>	<p>All co-located partners will be asked to approve the infrastructure cost budget. The final approved budget will be incorporated annually into the approved MOU as an amendment, using amendment procedures specified in the MOU.</p>	<p>April 1</p>
<p>Follow Up</p>	<p>Failure to reach agreement on Job Center infrastructure costs by June 30, 2017, will result in application of a state funding mechanism per 20 CFR 678.730.</p> <p>Following the end of each State fiscal year and after all budgeted infrastructure costs have been incurred, the designated representative will assure budgeted costs by co-located partners are reconciled to actual costs and that any necessary adjustments are made.</p>	<p>June</p>

1.5 ALLOCATION OPTIONS

There are multiple options for determining an allocation methodology in a local area. For illustration purposes, the following two examples may be considered:

1. The proportionate share of partner’s occupancy percentage of Job Center

The allocation based on proportionate share of partner’s occupancy percentage of Job Center determines infrastructure costs based on percent of use of total Job Center square footage per partner. For example, if a specific partner is utilizing 300 sq. ft. out of 1000 total square footage, said partner would be responsible for 30% (300/1000 = 30%) of the total Job Center infrastructure costs. The ideal way to use square footage as the basis for allocation would be to identify the amount of dedicated space for each organization. For example, if a Job Center is 10,000 square feet total, Organization A has 100 square ft. of dedicated space (used only for organization A) out of 2,000 of total dedicated square footage in the Center, the calculation would be that Organization A would pay 5% of the facilities costs (100/2000).
2. The proportion of FTE staffing

The allocation based on proportionate share of partner’s total employees of Job Center determines infrastructure costs based on percent of total Job Center employee FTEs per partner. For example, if a specific partner employs 25 FTEs out of 250 total FTEs at the Job Center, said partner would be responsible for 10% (25/250 = 10%) of the total Job Center infrastructure costs

To determine FTE staffing proportions, each required partner’s staff dedicated to support the operation of each Job Center in the local area will be documented in the Standard Budget Format for Shared Costs in *Attachment X*. FTE staffing is defined to include:

1. Required partner or contractor FTE staff onsite at the Job Center.
2. Required partner or contractor FTE staff offsite but who are dedicated and available on demand to meet service access requirements via “direct linkage.”

State Funding Mechanism

According to § 678.730 of the Joint Final rule, if the Local WDB, chief elected official, and Job Center partners in a local area do not reach consensus agreement on methods of sufficiently funding Job Center infrastructure costs for a program year, the State funding mechanism is applicable to the local area for that program year. To Initiate the

State funding mechanism, a Local WDB must notify the Governor by the deadline established here within (June 1st). Once a Local WDB has informed the Governor of their inability to reach a consensus, the Local WDB must provide the Governor with local negotiation materials. The Governor will complete the following:

- Determine the Job Center budget through one or more of the following options; accepting a budget previously agreed upon by partner programs in the local negotiations; or creating a budget for the Job Center using the State WDB formula (described below).
- Establish a cost allocation methodology to determine the one-stop partner programs proportionate shares of infrastructure costs.
- Using the methodology established, and taking into consideration the factors concerning individual partner programs, determine each partner's proportionate share.
- Calculate the statewide caps on the amounts that partner programs may be required to contribute (described below).
- Ensure that the aggregate total of contributions according to proportionate share required of all local partner programs do not exceed the cap for that particular program, and direct payment accordingly.
- If the total budget exceeds one or more of the program cap's, determine the amount to direct each Job Center program to pay. This can be done by one or more of the following options;
 - Ascertaining whether the local partner or partners whose proportionate shares are calculated above the individual program caps are willing to voluntarily contribute above the capped amount to equal that program's proportionate share;
 - Re-entering into local areas budget negotiations to reassess each Job Center partner's proportionate share;
 - Identifying alternate sources of funding to make up the difference between the capped amount and the proportionate share of the one-stop partner.
- If none of the solutions prove to be viable, reassess the proportionate shares of each one-stop partner so that the aggregate amount attributable to the local partners for each program is less than that program's cap amount. Upon such reassessment, the Governor will direct each Job Center partner program to pay the reassessed amount toward the infrastructure funding costs of the Job Center.ⁱⁱ

Statewide Caps on Proportionate Share (Only if Governor needs to determine local share)

WIOA formula programs and Wagner-Peyser Act Employment Service: The portion of funds required to be contributed under the WIOA youth, adult, or dislocated worker programs, or under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) must not exceed three percent of the amount of the program in the State for a program year.

For other required Job Center partners: The portion of funds required to be contributed must not exceed 1.5 percent of the amount of Federal funds provided to carry out that program in the State for a fiscal year.

Carl D. Perkins Career and Technical Education Act of 2006: The cap on contributions is determined based on the funds made available by the State for postsecondary level programs and activities of the Carl D. Perkins Career and Technical Education Act and the amount of Perkins Act funds used by the State during the prior year to administer postsecondary level programs and activities, as applicable.

Vocational rehabilitation: Within a State, for the entity or entities administering programs, the allotment is based on the one State Federal fiscal year allotment, even in instances where that allotment is shared between two State agencies, and the cumulative portion of funds required to be contributed must not exceed:

- 0.75 percent of the amount of Federal funds provided to carry out such program in the State for the current Fiscal Year for purposes of applicability of the State funding mechanism for the next program year (1st Year);

- 1.0 percent of the amount provided to carry out such program in the State for the current Fiscal Year for purposes of applicability of the State funding mechanism for the next program year (2nd Year);
- 1.25 percent of the amount provided to carry out such program in the State for the current Fiscal Year for purposes of applicability of the State funding mechanism for the next program year (3rd Year);
- 1.5 percent of the amount provided to carry out such program in the State for the current Fiscal Year and following years for purposes of applicability of the State funding mechanism for the next program year and subsequent years (4th Year and beyond).

TANF programs: The cap on contributions is determined based on the total Federal TANF funds expended by the State for work, education, and training activities during the prior Federal fiscal year (as reported to the Department of Health and Human Services (HHS) on the quarterly TANF Financial Report form). Also include any additional amount of Federal TANF funds that the State TANF agency reasonably determines was expended for administrative costs in connection with these activities but that was separately reported to HHS. The State's contribution to the one-stop infrastructure must not exceed 1.5 percent of these combined expenditures.

Community Services Block Grant (CSBG) programs: The cap on contributions will be based on the total amount of CSBG funds determined by the State to have been expended by local CSBG-eligible entities for the provision of employment and training activities during the prior Federal fiscal year for which information is available (as reported to HHS on the CSBG Annual Report). Also include any additional amount that the State CSBG agency reasonably determines was expended for administrative purposes in connection with these activities but was separately reported to HHS. The State's contribution must not exceed 1.5 percent of these combined expenditures. ⁱ

Section 2: Timelines and Processes for Negotiation of Infrastructure Costs and MOUs

Local board negotiations related to services, methods of delivery, infrastructure and other shared costs must be concluded and a final report must be submitted to the Missouri Division of Workforce Development (DWD) by [May 15] of each calendar year. Failure to reach an agreement by the end of the remediation period will trigger the State Infrastructure Funding Mechanism, which is detailed above. The following section further details the timelines and processes by which infrastructure costs and MOUs may be negotiated.

2.1 NEGOTIATION OF LOCAL JOB CENTER DELIVERY SYSTEM COSTS

Designated Representative

The designated representative has primary responsibility for negotiating how local Job Center delivery system costs will be shared among required partners. Other Job Center system costs may include: initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, and referrals to Job Center partners.

Required Partners

All co-located partners under WIOA are required to use a portion of their program funds to pay additional costs relating to operation of the local Job Center delivery system. Costs include the costs of providing shared career services to individuals, costs to support WDB functions and other costs that promote integration of services. Co-located partners may meet their cost sharing obligations through any of the following methods:

1. Cash contributions as allowed by the statutes and regulations governing each program
2. Locally agreed upon and fairly valued in-kind contributions that provide tangible benefits for the local service delivery system. Each in-kind contribution must meet the following criteria:
 - Be recognized and accepted by all other partners

- Have the effect of offsetting a cash contribution toward local Job Center delivery system costs that would otherwise be due from the partner making the in-kind contribution.

Co-located partners should give priority to those shared costs which bring about integration, streamline service delivery and lead to better outcomes for their customers. The amount each required partner contributes to local Job Center service delivery system costs must be allowable under each required partner's statutory and regulatory requirements. Contribution amounts must also be proportionate to the benefit received and determined in accordance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

All Job Center partners must agree to the other system costs budget. There are no State Infrastructure Funding Mechanisms for other system costs that will trigger due to lack of agreement at the local level. A sample Other Job Center System Costs budget is included in the *Attachments*.

2.2 NEGOTIATION OF LOCAL MOUS

Purpose and Development of MOUs

The MOU development process will involve Service Coordination, meaning each MOU will address service coordination and collaboration amongst the partners. It will also involve Shared Resources and Costs, meaning it will address how to functionally and fiscally sustain the unified system through the use of resource sharing and joint infrastructure costs.

MOUs serve as a commitment between the designated representative and co-located partners to provide a high quality workforce development system. They should mirror the Federal and State government and regional and local planning priorities. The local MOUs should also reflect how each partner will contribute its proportionate share of infrastructure costs for the comprehensive Job Center.

The following State entities and State administered programs are available required partners;

1. Title I – Adults, Dislocated Workers, and Youth; Trade Adjustment Act and Community Services Block Grant Act
2. Title II – Adult Education and Family Literacy
3. Title III – Employment Programs Authorized under the Wagner-Peyser Act, Unemployment Insurance, Jobs for Veterans State Grants, Trade Reinvestment Act
4. Title IV – Vocational Rehabilitation Services
5. Career and Technical Education under the Perkins Act
6. Temporary Assistance for Needy Families (TANF)
7. Senior Community Service Employment Program (SCSEP)
8. Second Chance Act ⁱⁱ

Responsibilities in Negotiation

The WDB or designated representative must select an individual to take the lead responsibility for negotiation of the MOU as well as a private sector member or other impartial individual. Upon agreement, the WDB, core and co-located partners, and CEO(s) will be required to sign the MOU, which may be an umbrella agreement encompassing all required partner programs or separate agreements with each required partner or groups of required partners. The designated representative must then report to the Governor the results of MOU negotiations.

The duration of local MOUs and frequency with which MOUs will be reviewed will be determined by WDBs and will be area specific and may not exceed three years. The State Infrastructure Funding Mechanism will apply only to Job Centers in local areas which cannot reach an agreement during either period. The MOU must acknowledge that the agreements made are contingent on the availability of Federal funding for each required program

Section 3: Requirements of MOUs

Each co-located partner involved in the MOU will designate an individual with financial authority to speak on behalf of the required partner during negotiations. The MOU must be completed using a standard template provided to all required partners. The MOU must include the following information:

	Item	Description
1	Services	Describe the services that will be accessible through the local Job Center delivery system
2	Location	Identify the location(s) at which these services will be accessible
3	Delivery	Specify the method of delivery for each required partner providing services and describe how these services will be coordinated
4	Local Service Matrix	Include a local service matrix which will identify the specific services each required partner will provide and describe the method of service delivery
5	Referral Methods	Include specific referral methods for participants between the Job Center operator and required partners, including methods to accommodate individuals with barriers to employment and individuals with disabilities
6	Information-Sharing	Define how core program partners will share local sensitive data and information and otherwise collaborate to assure that all common primary indicators of performance for the local area will be achieved while ensuring confidentiality of Personally Identifiable Information (PII) for program participants
7	Shared Costs	Identify the specific infrastructure and local workforce development system costs that will be shared among the required partners
8	Proportion Share	Determine the proportion of each required partner's shared infrastructure and local workforce systems costs that will be included (all cost sharing agreements must be consistent with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)
9	Negotiation Process	Include a clearly defined negotiation process, with clear instructions if a consensus cannot be reached or if disputes arise after an agreement is made
10	Shared Cost Budgets	Include a budget for infrastructure and shared system costs which must be negotiated annually and incorporated into the MOU
11	Amendments	Include clearly defined amendment procedures
12	Budget Template	Include a format template for the budget, which should have been accomplished during the negotiation of infrastructure costs

3.1 REPORTING OF INTERIM AND FINAL NEGOTIATION OUTCOMES

Local boards must provide a draft budget to the State by April 1st, a final agreed upon budget is to be submitted by May 1st, and signed MOUs including all cost sharing agreements are to be submitted to the State by June 1st.

3.2 RECOMMENDED APPEALS PROCESS FOR INFRASTRUCTURE COSTS (GOVERNOR'S DETERMINATION)

A required partner may appeal the Governor's final determination for two reasons:

1. The Governor's determination is inconsistent with the proportionate share requirements of 20 CFR 678.750.i

2. The Governor's determination is inconsistent with the cost contribution caps described in 20 CFR 678.750.i

The Governor will establish a process for a Job Center partner administering a program to appeal the determination regarding the Job Center partner's portion of funds to be provided for Job Center infrastructure costs. This appeal process must be described in the Unified State Plan. The appeal may be made for either of the reasons noted. The process must ensure prompt resolution of the appeal in order to ensure the funds are distributed in a timely manner. The Job Center partner must submit an appeal in accordance with State's deadlines for appeals or if a deadline has not been set, within 21 days from the determination. ⁱⁱ

The table below summarizes which sub-part of the WIOA legislation pertains to the specific area of reference. This is included to help participants navigate the legislation with some level of ease.

Joint Rule References for Job Center Infrastructure Costs	
Sub-Part	Area of Reference
678.700	Job Center infrastructure costs.
678.705	Guidance the Governor issues regarding Job Center infrastructure funding.
678.710	Funding of infrastructure costs.
678.715	Funding of Job Center infrastructure costs through the Local Infrastructure Funding Mechanism.
678.720	Funds used to pay for Job Center infrastructure costs in the Local Infrastructure Funding Mechanism.
678.725	If consensus on infrastructure funding is not reached at the local level between the Local Workforce Development Board, chief elected officials, and Job Center partners, next steps.
678.730	State Infrastructure Funding Mechanism for Job Centers.
678.731	Steps to determine the amount to be paid under the State Infrastructure Funding Mechanism for Job Centers.
678.735	Infrastructure cost budgets for the Job Centers in a local area determined in the State Infrastructure Funding Mechanism for Job Centers.
678.736	Governor establishes a cost allocation methodology used to determine the Job Center Partner programs proportionate shares of infrastructure costs under the State Infrastructure Funding Mechanism for Job Centers.
678.737	Job Center partner programs proportionate shares of infrastructure costs determined under the State Infrastructure Funding Mechanism for Job Centers.
678.738	Statewide caps on the contributions for Job Center infrastructure funding determined in the State Infrastructure Funding Mechanism for Job Centers.
678.740	Funds used to pay for infrastructure costs in the State Infrastructure Funding Mechanism for Job Centers.
678.745	Factors the State Workforce Development Board uses to develop the formula described in Workforce Innovation and Opportunity Act sec. 121(h)(3)(B), which is used by the Governor to determine the appropriate Job Center infrastructure budget for each local area operating under the State Infrastructure Funding Mechanism, if no reasonably implementable locally negotiated budget exists.
678.750	How a Job Center partner can appeal a Job Center infrastructure amount designated by the State under the State Infrastructure Funding Mechanism.
678.755	Required elements regarding infrastructure funding that must be included in the Job Center Memorandum of Understanding.

678.760

Job Center partners jointly fund other shared costs under the Memorandum of Understanding.

ATTACHMENTS

Attachment A: Sample Job Center Infrastructure Budget

Job Center Infrastructure Budget		
<input type="checkbox"/> Each Comprehensive Job Center (Name of Job Center _____) <input type="checkbox"/> Network of Comprehensive Job Centers		
Cost Category/Line Item	Line Item Cost Detail	Cost
Rent	Rental of Facilities	
	Subtotal:	
Utilities and Maintenance	Electric	
	Gas	
	Water	
	Sewer Connections	
	High-Speed Internet	
	Telephones (Landlines)	
	Facility Maintenance Contract	
Subtotal:		
Equipment	Assessment-related products	
	Assistive technology for individuals with disabilities (Access and Accommodation)	
	Copiers	
	Fax Machines	
	Computers	
	Other tangible equipment used to serve all center customers (not specific to an individual program partner)	
	Specify Other Tangible Equipment	
Subtotal:		
Technology to Facilitate Access to the Job Center	Technology used for the center's planning and outreach activities	
	Specify the technology: _____	
	Cost of creation and maintenance of a center website (not specific to an individual program partner) that provides	

	outreach to customers by providing information on Job Center services and/or provides direct service access to Job Center services Website Address: _____ (Does not include data systems or case management systems specific to individual program partners.)		
Subtotal:			

Common Identifier Costs (Local Option, If Agreed to by All Co-located Partners)

Creating New Job Center Signage	
Updating Templates and Materials	
Updating Electronic Resources	
Subtotal:	

Summary of Total Infrastructure Costs to be Shared by Co-located Partners

Cost Category	Total Cost
Subtotal: Rental Costs	
Subtotal: Utilities and Maintenance Costs	
Subtotal: Equipment Costs	
Subtotal: Technology to Facilitate Access Costs	
Subtotal: Common Identifier Costs	
Total Infrastructure Costs for this Job Center /Network:	

Proportionate Share: Infrastructure Costs for this Job Center/Network:

Job Center _____

Partner	Compute Methodology	Partner Program Share in Cost	Source by Cash	Source by In-Kind
Partner #1		\$	\$	\$
Partner #2		\$	\$	\$
Partner #3		\$	\$	\$
Total Budget:		\$	\$	\$

Attachment B: Sample Other System Costs

SERVICES

Optional partner agreement to share other Job Center system costs: initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, and referrals to other Job Center partners.

This may include costs such as personnel, technology, and tools that increase integrated service delivery through the sharing of information and service delivery processes.

Job Center System Budget: Initial Intake, Assessment, Basic Skills Identification, Services, Referrals

Line Item	Budget Detail	Cost
Total Budget:		\$

Agreed Upon Cost Allocation Methodology to Share These Costs

Proportionate Share: Initial Intake, Assessment, Basic Skills Identification, Services, Referrals

Partner	Compute Methodology	Partner Program Share in Cost	Source by Cash	Source by In-Kind
T- I Adult		\$	\$	\$
T-I Dislocated Worker		\$	\$	\$

T-I Youth		\$	\$	\$
T-II Adult Ed/Literacy		\$	\$	\$
T-III Wagner-Peyser		\$	\$	\$
Veterans		\$	\$	\$
Migrant Seasonal		\$	\$	\$
Trade Act		\$	\$	\$
Unemployment Comp		\$	\$	\$
Career Tech/Ed		\$	\$	\$
T-IV Voc Rehab				
TANF		\$	\$	\$
T-V OAA		\$	\$	\$
Job Corps		\$	\$	\$
Native American		\$	\$	\$
Youth Build		\$	\$	\$
Community Action		\$	\$	\$
Housing Authority		\$	\$	\$
Second Chance		\$	\$	\$
	Total Budget:	\$	\$	\$

BUSINESS SERVICES

Optional Partner Agreement to Share Other Job Center System Costs: Business Services

This may include costs related to a local or regional system business services team that has one or more partners on the team, or has delegated a specific partner to provide business services on behalf of the system.

Job Center System Budget: Business Services

Line Item	Budget Detail	Cost
Total Budget:		\$

Agreed Upon Cost Allocation Methodology to Share These Costs

Proportionate Share: Business Services

Partner	Compute Methodology	Partner Program Share in Cost	Source by Cash	Source Kind	by In-
T-I Adult		\$	\$	\$	
T-I Dislocated Worker		\$	\$	\$	
T-I Youth		\$	\$	\$	
T-II Adult Ed/Literacy		\$	\$	\$	
T-III Wagner-Peyser		\$	\$	\$	
Veterans		\$	\$	\$	

Migrant Seasonal		\$	\$	\$
Trade Act		\$	\$	\$
Unemployment Comp		\$	\$	\$
Career Tech/Ed		\$	\$	\$
T-IV Voc Rehab		\$	\$	\$
TANF		\$	\$	\$
T-V OAA		\$	\$	\$
Job Corps		\$	\$	\$
Native American		\$	\$	\$
Youth Build		\$	\$	\$
Community Action		\$	\$	\$
Housing Authority		\$	\$	\$
Second Chance		\$	\$	\$
Total Budget:		\$	\$	\$

JOB CENTER PARTNER STAFF CROSS TRAINING

Optional Partner Agreement to Share Other Job Center System Costs: Job Center Partner Staff Cross Training

This may include any staff cross training on partner programs and eligibility identified in the Phase I MOU.

Job Center System Budget: Job Center Partner Staff Cross Training

Line Item	Budget Detail	Cost
Total Budget:		\$

Agreed Upon Cost Allocation Methodology to Share These Costs

Proportionate Share: Job Center Partner Staff Cross Training

Partner	Compute Methodology	Partner Program Share in Cost	Source by Cash	Source Kind	by In-
T-I Adult		\$	\$	\$	
T-I Dislocated Worker		\$	\$	\$	
T-I Youth		\$	\$	\$	
T-II Adult Ed/Literacy		\$	\$	\$	
T-III Wagner-Peyser		\$	\$	\$	
Veterans		\$	\$	\$	
Migrant Seasonal		\$	\$	\$	
Trade Act		\$	\$	\$	

Unemployment Comp		\$	\$	\$
Career Tech/Ed		\$	\$	\$
T-IV Voc Rehab		\$	\$	\$
TANF		\$	\$	\$
T-V OAA		\$	\$	\$
Job Corps		\$	\$	\$
Native American		\$	\$	\$
Youth Build		\$	\$	\$
Community Action		\$	\$	\$
Housing Authority		\$	\$	\$
Second Chance		\$	\$	\$
	Total Budget:	\$	\$	\$

JOB CENTER OPERATOR

Optional Partner Agreement to Share Other Job Center System Costs: Job Center Operator

This may include the system role of the Job Center operator (e.g., coordinating service providers across the Job Center delivery system) when the role is not specific to the operation of the Job Center and/or specific partner programs, so long as the role was defined by the Local Board in the procurement process and agreed to by all Job Center partners in the Phase II MOU.

Description of the Job Center Operator's System Role Not Specific to Operation of Job Centers

Job Center System Budget: Job Center System Operator

Line Item	Budget Detail	Cost
Total Budget:		\$

Agreed Upon Cost Allocation Methodology to Share These Costs

Proportionate Share: Job Center Operator

Partner	Compute Methodology	Partner Program Share in Cost	Source by Cash	Source Kind	by In-
T-I Adult		\$	\$	\$	
T-I Dislocated Worker		\$	\$	\$	
T-I Youth		\$	\$	\$	
T-II Adult Ed/Literacy		\$	\$	\$	
T-III Wagner-Peyser		\$	\$	\$	
Veterans		\$	\$	\$	
Migrant Seasonal		\$	\$	\$	

Trade Act		\$	\$	\$
Unemployment Comp		\$	\$	\$
Career Tech/Ed		\$	\$	\$
T-IV Voc Rehab		\$	\$	\$
TANF		\$	\$	\$
T-V OAA		\$	\$	\$
Job Corps		\$	\$	\$
Native American		\$	\$	\$
Youth Build		\$	\$	\$
Community Action		\$	\$	\$
Housing Authority		\$	\$	\$
Second Chance		\$	\$	\$
Additional Partners		\$	\$	\$
Total Budget:		\$	\$	\$

SHARED PERSONNEL COSTS FOR JOB CENTER CO-LOCATED PARTNERS

Optional Partner Agreement to Share Other Job Center System Costs: Shared Personnel Costs for Job Center Co-located Partners

This may include center receptionists and/or center managers.

Job Center System Budget: Job Center Personnel

Line Item	Budget Detail	Cost
Total Budget:		\$

Agreed Upon Cost Allocation Methodology to Share These Costs

Proportionate Share: Job Center Personnel

Job Center #1 _____

Partner	Compute Methodology	Partner Program Share in Cost	Source by Cash	Source by In-Kind
Partner #1		\$	\$	\$
Partner #2		\$	\$	\$
Partner #3		\$	\$	\$
Partner #4		\$	\$	\$
Partner #5		\$	\$	\$
Total Budget JOB CENTER:		\$	\$	\$

Proportionate Share: Job Center Personnel

Job Center #2 _____

Partner	Compute Methodology	Partner Program Share in Cost	Source by Cash	Source by In-Kind
Partner #1		\$	\$	\$

Partner #2		\$	\$	\$
Partner #3		\$	\$	\$
Partner #4		\$	\$	\$
Partner #5		\$	\$	\$
Total Budget Job Center:		\$	\$	\$



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ⁱ Office of Federal Register. (2016). *Part 200 uniform administrative requirements, cost principles, and audit requirements for federal awards*. Retrieved from <http://www.ecfr.gov/cgi-bin/text-idx?SID=b2c9ef30048665f270434499ef9c37dc&mc=true&node=pt2.1.200&rgn=div5>

ⁱⁱ Department of Labor, Department of Education. (2016). *WIOA joint rule for unified and combined state plans, performance accountability, and the one-stop system joint provisions; final rule*. Retrieved from <https://www.gpo.gov/fdsys/pkg/FR-2016-08-19/pdf/2016-15977.pdf>