I. Purpose

The purpose of this issuance is to detail the requirements for funding one-stop operations under the Workforce Innovation and Opportunity Act (WIOA).

II. Summary

The Workforce Innovation and Opportunity Act (WIOA) creates a new process for funding the costs of one-stop operations. One-stop infrastructure is generally described as the costs of non-personnel resources such as building leases, equipment, supplies, and resource rooms. One-Stop partners must also share additional costs, which must include applicable career services, and may include shared operating costs and shared services that are necessary for the general operation of the one-stop center.

The purpose of partner programs sharing the costs of one-stop operations is to: (1) maintain the one-stop delivery system to meet the needs of the local areas; (2) reduce duplication by improving program effectiveness through the sharing of services, resources and technologies among partners; (3) reduce overhead by streamlining and sharing financial, procurement, and facilities costs; (4) encourage efficient use of information technology; (5) ensure that costs are appropriately shared by one-stop partners by basing contributions on proportionate share of use, and (6) ensure that services provided by the one-stop partners to reduce duplication or to increase financial efficiency at the one-stop centers are allowable under the partner’s program.

The WIOA outlines two mechanisms for reaching agreement on the shared costs of infrastructure. The first is the “local mechanism.” The local mechanism includes agreement among the one-stop partner programs in a local workforce development area, and the agreement is reflected in the local Memorandum of Understanding (MOU). The second is the “state mechanism.” The state mechanism occurs through action by the Governor to take portions from the one-stop partner program at the state level and pool funds for allocation to local workforce development areas that do not reach agreement on the local mechanism.

III. References

- Workforce Innovation and Opportunity Act (Pub. L. 113-128)
- Training and Employment Notice No. 05-14, Workforce Innovation and Opportunity Act
Announcement and Initial Informational Resources

- Training and Employment Guidance Letter No. 17-16, *Infrastructure Funding of the One-Stop Delivery System*
- Office of Management and Budget (OMB) “Uniform Guidance”
- Workforce Innovation and Opportunity Act (WIOA) One-Stop Infrastructure Costs-FAQ

IV. **Policy**

Each Local Board in the State of Virginia, in conjunction with chief local elected officials, have the opportunity to fund the costs of one-stop operations locally through the MOU negotiation process. Each local MOU must contain a Cost Allocation Plan (CAP), which, in accordance with TEGL 17-16 Section 4, outlines the budget and partner shares for funding the one-stop operations in a local workforce development area. All programs, including those that are part of the WIOA Combined State Plan, providing services through the one-stop center must be included in the MOU and CAP Consistent with VBWD Policy 300-03 and TEGL 17-16.

All shared costs for one-stop operations shall meet requirements under each program partner’s authorizing statutes and regulations, as well as federal cost principles.

The negotiations should focus on producing agreements that are sufficient to meet the necessary operational costs of the one-stop center. They must be sustainable and supportable by all partners. As such, each year no later than April 15th, or, for the first year of policy implementation no later than 30 days after the standardized template is issued, local Workforce Development Boards, in collaborative with partners, shall develop a proposed CAP for the program year beginning July 1st.

In accordance with VBWD Policy 300-03, MOUs and related CAP shall be negotiated and agreed to no later than May 31st. Executed MOUs, including related CAP, shall be submitted to the Title 1 Administrator in a standardized format based on guidance issued by the Title 1 Administrator using acceptable methodologies as prescribed and allowed by state and federal regulation and policy.

**Procedures**

The WIOA Title I Administrator shall issue procedural guidance, to include standardized templates and forms for MOU development and cost allocation, by March 31, 2018.