# Workforce Development Council/Governor's Guidance for WIOA One-Stop Infrastructure Funding Agreements

**Adopted September 11, 2024**

**Reference:** WDC 10-25-2017 Transmittal #4
WIOA Sec. 121(h)(1)(B) and (i)(3); WIOA 101(d)(6)(C);
20 CFR 678.705; 34 CFR 361.705 and 34 CFR 463.705;
2 CFR part 200;
TEGL 17-16; RSA-TAC-17-03; PM; OCTAE Program Memo 17-3

**History:** None. New policy under WIOA.

**Purpose:** Comply with federal requirements for the Governor and the WIOA State Board to provide guidance to local areas on WIOA One-Stop Infrastructure Funding

## I. Introduction

The Workforce Innovation and Opportunity Act mandates that all required one-stop partners contribute a portion of their funds for both infrastructure costs WIOA Sec. 121 (b)(1)(A)(ii) and additional costs WIOA Sec. 121(i).

The WIOA Joint Rule specifies the guidance to be issued by the Governor regarding one-stop infrastructure funding. The Governor, after consultation with chief elected officials and the Workforce Development Council must develop and issue guidelines for State-administered one-stop partner programs for determining such programs' contributions to the one-stop delivery system, including determining funding for the costs of infrastructure; and issue guidance to the local chief elected officials and one-stop partners in determining equitable and stable methods of funding the costs of infrastructure, consistent with the Uniform Guidance at 2 CFR part 200.

This guidance must include:

- Appropriate roles of the one-stop partners in identifying one-stop infrastructure costs.
- Approaches to facilitate equitable and efficient cost allocation that results in a reasonable cost allocation methodology.

- Timelines regarding notification to the Governor for not reaching local agreement and triggering the State funding mechanism and timelines for submitting an appeal in the State Funding Mechanism.

Similarly, the Workforce Development Council as the WIOA state board is directed with developing policies relating to the roles and contributions of the entities carrying out the one-stop partner programs and provide approaches to facilitating equitable and efficient cost allocation in such system.

The requirements for infrastructure cost sharing are applicable to the WIOA local areas. Idaho officially consists of two local areas under WIOA – East Central Idaho, also known as Service Delivery Area 6 or Region 6, and the Balance of State, consisting of Regions 1-5. The Workforce Development Council, as the WIOA State Board, provides the policies to the local areas and the Council, acting as the local board for the two areas, is also responsible for implementing the requirements.

The guidance provided here is supplemental to the Idaho American Job Center Network MOU and the Service Delivery Area MOUs approved by the One-Stop Committee. The Infrastructure Funding Agreement resulting from this guidance will be an addendum to the Service Delivery Area MOUs for SDAs 2 and 6. This guidance may be used by any of the other Service Delivery Areas at a later time.

## II. State Administered One-Stop Program Guidelines

The following are instructions from the State-administered one-stop partners for assigning the roles for identifying infrastructure costs and contributions to the one-stop infrastructure funding agreement in the local areas.

**Idaho Division of Career Technical Education (IDCTE)**

<u>Perkins Postsecondary Programs</u> – The Perkins Programs are exempted from Idaho's infrastructure cost-sharing agreement due to an inability to collect the data (Social Security numbers) needed to cross-reference participants for an accurate co-enrollment count.

<u>Adult Education and Family Literacy Act - Adult Education Programs</u> – IDCTE delegates authority to technical college leadership staff person (dean or VP) with authority over Adult Education program. This person will work with the head of Adult Education program as part of the negotiation process.

**Idaho Commission on Aging**

<u>Senior Community Service Employment Program</u> – The State-administered SCSEP program delegates authority to their service provider Easter Seals Goodwill, which may also be a direct federal SCSEP grantee. A representative will negotiate on behalf of both grants.

**Idaho Division of Vocational Rehabilitation**

<u>WIOA Title IV Vocational Rehabilitation</u> – The Division retains state authority for all infrastructure funding negotiations.

**Idaho Department of Health and Welfare**

<u>Temporary Assistance for Needy Families</u> – The Department retains state authority for all infrastructure negotiations for TANF and any other IDHW-administered program (e.g., Supplemental Nutrition Assistance Program).

Work-related Employment and Training Programs – The Department delegates all negotiation authority to their service provider, as consistent with the IDHW contract.

**Idaho Department of Labor -** The Department delegates all negotiation authority for the following programs to its area managers.

WIOA Title IB Employment and Training Programs
WIOA Title III – Wagner Peyser Employment Services
TAA – Trade Adjustment Assistance
Jobs for Veterans Grants
Unemployment Insurance

**Idaho Commission for the Blind and Visually Impaired**

WIOA Title IV VR– The Commission retains all authority for infrastructure funding negotiations.

**Community Council of Idaho**

National Farmworkers Jobs Program - CCI retains authority for infrastructure funding negotiations across the state.

## III. Cost Allocation Approach Guidelines

There are two statutory methods of infrastructure cost funding: the Local and State Funding Mechanisms. Local areas must first attempt the Local Funding Mechanism process before appealing to the State Funding Mechanism.

This section describes the Local Funding Mechanism process, including instructions for developing the one-stop operating budget and a recommended cost allocation methodology.

***Local Funding Mechanism Process***

Following WIOA guidance in TEGL 17-16, RSA-TAC-17-03, and OCTE Program Memo 17-03 that spells out the steps for determining shared funding for infrastructure, the one-stop partners are to begin negotiating infrastructure costs under the "Local Funding Mechanism" as follows:

1. Determine local one-stop operating budget by including the following:
    a. Infrastructure
    b. Additional costs (career and shared services)
2. Develop a fair cost allocation methodology based on the relative use and benefit of each one-stop partner;
3. Determine the partners' proportionate share of the infrastructure costs and required services costs. The proportionate share is the starting point for the negotiations.
4. Negotiate partners' contributions
    a. Partners can contribute any amount they wish to negotiate as allowed by the program
    b. Partners may contribute (as allowed by program grant)
        i. Cash
        ii. Non-Cash

iii. Third party in-kind

***Developing the One-Stop Operating Budget***

Infrastructure

Infrastructure costs are defined in WIOA Joint Rules (20 CFR 678.700, 34 CFR 361.700, and 34 CFR 463.700) as the non-personnel costs necessary for the general operation of the one-stop center. These are building-related costs only. Local areas are instructed to only identify infrastructure costs for the comprehensive one-stop center in the local area.

*Infrastructure categories*

- Rent
- Property Insurance
- Utilities
- Access Technology (phone, internet)
- Equipment
- Supplies
- Maintenance
- Janitorial contracts
- Security contracts
- Common Identifier (Updating building with American Job Center signage)

Additional Costs (System Delivery Costs)

System delivery costs are the additional costs required to operate the one-stop delivery system and are not included in the infrastructure cost-sharing. These additional costs must include career services and may include other common non-infrastructure costs and shared services costs. These costs should include services provided by all partners within the service delivery area, as well as the costs for the services provided in the comprehensive one-stop center.

Career services are defined in WIOA Joint Rule (20 CFR 678.430, 34 CFR 361.430, and 34 CFR 463.430). Some partner programs provide more career services and expend greater costs for those services than others. For the purpose of developing the operating budget, the costs of career services are attributed to each program providing the career services. Each partner should provide the costs of the staff and other program expenses directly associated with providing career services.

Common non-infrastructure costs may be determined by the local partners. These may include costs for common printed materials in the one-stop center or for one-stop operator services such as coordinating business services and other regional coordination.

Shared services are defined in WIOA Sec. 121(i)(2) as those commonly provided through the one-stop partner programs to any individual, such as initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, referrals to other one-stop partners, and other similar services. For the purpose of developing the operating budget, partners may determine which of their career services may be considered shared services.

***Recommended Cost Allocation Methodology***

The recommended allocation base uses the square footage of the comprehensive one-stop center and the actual infrastructure costs.

The methodology described below is recommended, but not definitive. However, using the square footage of the public, shared space as an allocation base is a fair way to allow cost contributions from the non-co-located partners who are also required to contribute to infrastructure costs.

- Co-located partners are assigned a proportionate share based on the direct space used by the program, such as program staff cubicles. Direct space shared by two or more co-located partners may be allocated using full-time equivalent positions.

- All partners are assigned proportionate shares based on the public, shared customer space, which includes lobby area, resource room and public restrooms. This space may also include interview rooms or conference rooms available to any one-stop partners.

- Proportionate shares of the public, shared customer space is then allocated by using the number of co-enrolled program participants in the region.

- Then, each partner's direct allocable space and proportionate share of common space are added together to determine their percentage of total cost.

- The actual infrastructure cost for the cost-sharing period is then multiplied by each partner's total percentage to determine their invoiced cost-sharing amount.

The results from any cost allocation are not definitive; they are viewed as a starting point for what the partner programs can contribute.

***Recommendations for One-Stop Partner Program Contributions***
All required one-stop partners have a mandate to contribute to infrastructure costs and system delivery costs. Other one-stop partners in the service delivery system are encouraged to contribute to the costs.

All programs may contribute cash toward these costs. Most programs will be able to contribute noncash or third-party in-kind. In-kind contributions from one-stop partners must be costs included in the original agreed-upon budget and would need to be fairly valued in accordance with the Uniform Guidance. Each program's contributions must be consistent with the program's authorizing statute and regulations, as well as 2 CFR 200. Additional information on program contributions is found in each agency's subregulatory guidance (TEGL 17-16, RSA-TAC 17-03, and OCTAE Program Memo 17-3).

As a part of additional system delivery costs, all one-stop partners will contribute to the regional annual trainings.

## IV. State Funding Mechanism

If the partners cannot agree on infrastructure contributions under the "Local Funding Mechanism," the Governor would need to invoke the State Funding Mechanism. The guidelines for this mechanism are:

a. Used only if partners do not agree on the infrastructure costs payments;
b. Subject to limiting percentages per program;
c. Applies only to infrastructure costs (not additional shared costs); and,
d. Does not apply to non-required partners

The process to invoke the State Funding Mechanism is as follows:

1. Workforce Development Council One-Stop Committee reviews the recommendations of the local partners and makes the determination at its February committee meeting.

2. Committee Chair immediately notifies the Executive Committee of the Workforce Development Council.
3. Workforce Development Council notifies the Governor after the February committee meeting;
4. Partners provide local negotiation materials to the Governor;
5. Governor accepts existing or determines new infrastructure budget;
6. Governor establishes cost allocation methodology and proportionate shares;
7. Governor calculates the statewide caps applicable to local budget and adjusts proportionate shares;
8. If the proportionate share is less than the proportionate cap, the one-stop partners under Governor's authority must contribute that amount.
   OR
8. Governor sends back for renegotiation.
   OR
8. Governor reduces infrastructure costs to reflect the amount of funds available without exceeding the caps.

*From the WIOA Title IB State Plan:*

### Provide the appeals process referred to in section 121(h)(2)(E) of WIOA relating to determinations for infrastructure funding.

A one-stop partner may appeal its portion of funds required for one-stop infrastructure costs after determination by the Governor under the State infrastructure funding mechanism, consistent with 20 CFR 631.750(b).

The appeal must be made in writing to the Idaho Workforce Development Council within ten (10) business days of the Governor's determination. The appeal will be heard at the next Workforce Development Council meeting, provided there are at least 14 days before the next meeting. If the Council's regularly scheduled meeting is sooner than 14 days from the appeal submission, the Council chair will schedule an auxiliary meeting at least 14 days and no less than 30 days from the appeal submission. The partner program entity shall have the opportunity to submit written and verbal information to the Workforce Development Council. The Council will issue a decision within 14 days of the Council appeal hearing. Its decision will be final.

Each partner may only appeal once per program year.

## V. One-Stop System Funding Agreement

Per the WIOA Joint Regulations, the Infrastructure Funding Agreement must include the following:

1. Period of time in which the IFA is effective (One-year)
2. One-Stop operating budget for infrastructure and shared services costs
3. Parties to the IFA and agreed contributions
4. Documentation of the negotiation efforts
5. Schedule for quarterly reconciliation of partner contributions and actual expenses
6. Process for issue resolution and IFA modification
7. Signatures