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(SN 12)

**WIOA BULLETIN NO. 12-16 Change 2**

**DATE:** October 14, 2019

**TO:** WIOA PARTNERS

**SUBJECT:** One-Stop Infrastructure Funding and Memoranda of Understanding Deadline

**PURPOSE:**

The purpose of this bulletin is to transmit a revised final deadline for the Memoranda of Understanding (MOUs) and Infrastructure Funding Agreements (IFAs) for the American Job Centers (AJC) in each local area.

**BACKGROUND:**

A team of monitors from the U.S. Department of Labor Employment and Training Administration (USDOL ETA), Region 6 conducted an on-site review of Workforce Innovation and Opportunity Act Programs and Wagner-Peyser on July 23-27, 2018. The report from that review required the State to submit copies of all local areas' signed MOUs, with IFAs within 60 days. Failure to submit in 60 days would have resulted in a recommendation to the Grant Officer to question IFA costs that would have led to disallowed costs. WDC submitted information to USDOL ETA by November 20, 2018.

To monitor and ensure compliance, USDOL ETA contacted WDC on October 9, 2019 requesting updated information on the MOUs and IFAs for each local area.

**POLICY:**

Each local area will submit signed MOAs and IFAs for each AJC partner: core, mandatory, and optional to the Workforce Development Council by Friday, January 31, 2020.

State Funding Mechanism [WIOA 121(h)(1)(A)(i)(1)]:

If the Local WDB fails to reach consensus with all of the required partners by Thursday, January 23, 2020, the State Funding Mechanism will be triggered.

**Step 1:** A notice in writing signed by the Mayor and Chair of the LWDB must be sent by Monday, January 27, 2020 (Attachment 1) via email at: [Allicyn.H.Tasaka@hawaii.gov](mailto:Allicyn.H.Tasaka@hawaii.gov);

or mail to:

Allicyn C. H. Tasaka, Executive Director  
Workforce Development Council  
830 Punchbowl Street, Room 417  
Honolulu, HI 96813

**Step 2:** Local negotiation materials will be provided to the WDC. At a minimum, the following must also be provided:

- a. The cost allocation methodology or methodologies proposed by the partners to be used in determining the proportionate share;
- b. The proposed amounts or budget to fund infrastructure costs and the amount of partner funds included;
- c. The type of funds (cash, non-cash, and third-party in-kind contributions) available;
- d. Any proposed or agreed upon one-stop center or system budget;
- e. Any partially agreed upon, proposed, or draft IFAs; and
- f. All signed MOUs and IFAs.

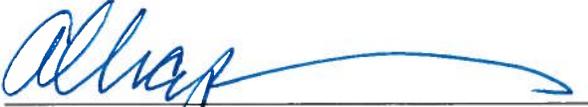
**Step 3:** The WDC will make the final determination of each required partner's proportionate share of infrastructure costs using the infrastructure budget, the cost allocation methodology, and the partners' proportionate shares taking into account each partner's individual applicable limiting percentage. The limiting percentages are the statutorily established percentages in WIOA 121(h)(2)(d), 20 CFR 678.738(c), 34 CFR 361.738(c), and 34 CFR 463.738(c); dependent on the type of program to the total Federal funding which that program receives for the affected program year to reach the maximum potential cap. The applicable program cap for a local area will be determined by using the same proportion used to distribute WIOA funds to the counties (local areas).

Appeals Process for Infrastructure Costs:

A required partner may appeal the determination on the basis of a claim that:

1. The determination is inconsistent with the proportionate share requirements of 20 CFR 678.735(a).
2. The determination is inconsistent with the cost contribution caps described in 20 CFR 678.735(c).

An appeal must be made within 21 days of the WDC's determination and follow the appeal process outlined in the State Unified Plan.

  
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ALLICYN C.H. TASAKA  
Executive Director

Attachment 1: Notice of Failure to Reach Consensus  
C: ASO-WIOA Unit

**Notice of Failure to Reach Consensus**

Local Workforce Development Area: \_\_\_\_\_

**Memorandum of Understanding**

Notice is provided to the Workforce Development Council as required by 20 CFR 678.725 that despite every effort, local partners in this local area did not reach consensus on a local **Memorandum of Understanding** for the period of:

Listed below are the program partners that did not agree and the main reasons for their inability to agree:

<b>Partner Name</b>	<b>Reasons</b>
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**Infrastructure Funding Agreement**

The inability to reach agreement was because one or more partners do not agree with how comprehensive one-stop center infrastructure costs will be funded for the period:

Listed below are the program partners who did not agree to the budget for one-stop center infrastructure costs and the main reasons for their inability to agree:

<b>Partner Name</b>	<b>Reasons</b>
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**Signatures:**  
Chair, Local Workforce Development Board

\_\_\_\_\_  
Date: \_\_\_\_\_

Mayor \_\_\_\_\_  
Date: \_\_\_\_\_