



**IOWA** State Workforce  
Development Board



# Infrastructure Funding Agreement Consultation Session Chief Elected Officials

Thursday, March 2, 2023 – 10:00-11:00 a.m.

# WELCOME!

## Gretchen Sullivan

Senior Technical Assistance  
Consultant  
The American Institutes for  
Research (AIR)

✉ [gsullivan@air.org](mailto:gsullivan@air.org)

## Darcee Simon

Technical Assistance Consultant  
The American Institutes for  
Research (AIR)

✉ [dsimon@air.org](mailto:dsimon@air.org)

## Wendy Greenman

Bureau Chief WIOA Title I | Trade  
Iowa Workforce Development (IWD)

✉ [wendy.greenman@iwd.iowa.gov](mailto:wendy.greenman@iwd.iowa.gov)

# RECORDING NOTICE

The American Institutes for Research® (AIR®) allows for the recording of audio, visuals, participants, and other information sent, verbalized, or utilized during business related meetings. By joining a meeting, you automatically consent to such recordings. Any participant who prefers to participate via audio only should disable their video camera so only their audio will be captured. Video and/or audio recordings of any AIR session shall not be transmitted to an external third party without the permission of AIR.



## MEETING OBJECTIVES

- ✓ Consult with Chief Elected Officials on proposed Memorandum of Understanding Policy updates and support needs for the development of Infrastructure Funding Agreements and One-Stop Operating Budgets

# AGENDA

- Welcome and Review of Meeting Agenda and Logistics
- Introductions (in chat)
- Context: WIOA Requirements for Memoranda of Understanding (MOUs) and Infrastructure Funding Agreements (IFAs)
- Iowa's Progress to Date
- Review Draft MOU Policy Recommendations
- Questions, Feedback, and Discussion
- Looking Ahead: Next Steps and Resource Development

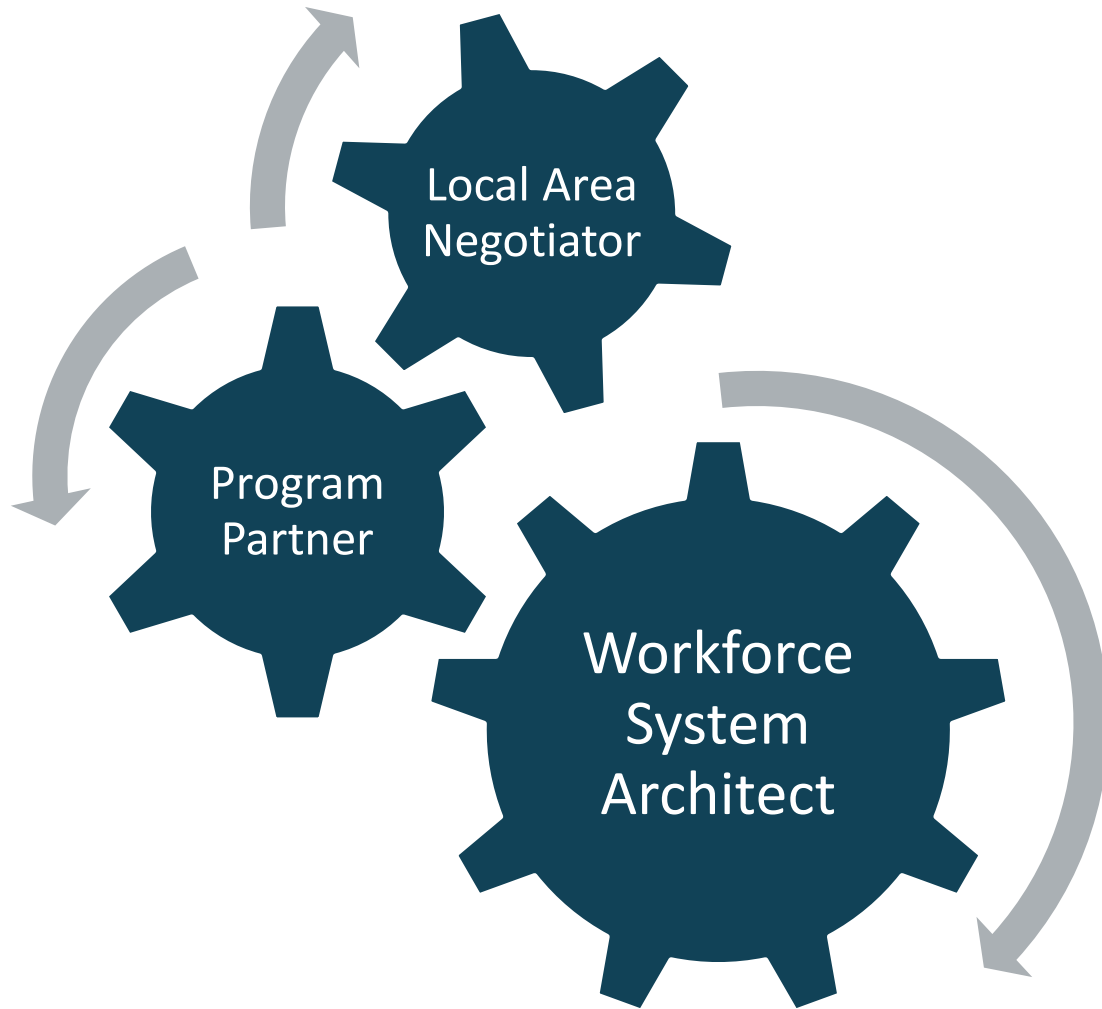
# MEETING LOGISTICS

- We have dedicated ~20 minutes for questions, feedback, and discussion beginning at about 10:30 AM.
- If you have any questions or comments before then, please share them in the chat and we will circle back!
- Some questions to be thinking about for our discussion:
  - What lessons learned from the MOU development process can we bring into the IFA work?
  - Do you anticipate any specific potential challenges or concerns? If so, what are those?
  - How can your state WIOA core partners support you and your local partners in IFA development?
  - Are there areas in which you or your local partners might need additional IFA policy information?
  - Do you have or anticipate any technical assistance needs in addition to those we'll talk about today?

# INTRODUCE YOURSELF IN THE CHAT...

- Name
- County
- Local Workforce Development Area
- How familiar are you with WIOA Memoranda of Understanding and Infrastructure Funding Agreements?

# CUSTOMER-CENTERED SYSTEM PARTNERSHIP



- Shared goal of serving our Iowa customers by designing guidance for the system
- Developing state-level guidance and resources for local area implementation
- Maintain a system orientation



---

# Setting the Context

---

WIOA MOU and IFA Requirements

## WHAT ARE MOUS AND IFAs?

- The **Memorandum of Understanding (MOU)** is the agreement which outlines the operation of the one-stop delivery system and identifies the role each partner will play.
  - How will the one-stop system provide services?
  - How will the one-stop system be funded?
- The **Infrastructure Funding Agreement** is a component of the MOU that details the financial plan to fund the services and operating costs of the one-stop delivery system.

# WHO IS RESPONSIBLE?

- The local workforce development board has responsibility for negotiating and developing the memorandum of understanding, including the one-stop operating budget.
  - The board, utilizing its staff, must convene the partners to complete this task.
- However, the one-stop partners, as well as the chief lead elected official, must be in agreement and sign the documents indicating such.

# LOCAL WDB & CEO RESPONSIBILITIES

In developing the section of the MOU on one-stop infrastructure funding, the Local WDB and chief elected officials will: 20 CFR 678.715(b)

- ***Ensure that the one-stop partners adhere to the guidance*** on one-stop delivery system infrastructure costs
- ***Work with one-stop partners to achieve consensus and informally mediate*** any possible conflicts or disagreements among one-stop partners
- ***Provide technical assistance*** to new one-stop partners and local grant recipients to ensure that those entities are informed and knowledgeable of the elements contained in the MOU and the one-stop infrastructure costs arrangement

# WHO MUST CONTRIBUTE?

## Comprehensive Center

- Infrastructure costs – ALL required one-stop partners in local area regardless of co-location at the center
- Additional shared costs – only those required partners who have agreed to share in the costs of one or more career services and/ or any other shared service(s).

## Affiliated/Specialized Center

- Infrastructure costs – only those partners engaged in the given center
- Additional shared costs – only those partners engaged in the given center who agree to share in costs of career services and/ or any other shared service(s)

# IOWA'S DEFINITIONS FOR IOWAWORKS ONE-STOP CENTERS

- **Comprehensive Center:** Titles I and III are present full time with one other core partner present at least part time, and center provides access to all programs, services, and activities of partners not located in the center.
- **Affiliated Center:** Two or more core partners are present with at least one of the core partners present on a full-time basis.
- **Satellite Center:** Any location where one core or required partner is present on a permanent basis. Title I and Title III are not eligible to have stand-alone offices or be satellite centers.

Definitions adopted by Iowa SWDB & defined in [Center Certification Process Guidance](#)

# “ WIOA IFA GUIDANCE REQUIREMENT

***Governors*** must issue guidance regarding the infrastructure funding of the one-stop delivery system after consultation with chief elected officials (CEO), the State workforce development board (WDB) and Local WDBs.

”

34 CFR 463.705(a); 20 CFR 678.705(a)

# GUIDANCE REQUIREMENTS

- Guidelines for determining partner program contributions to one-stop system [20 CFR 678.705\(a\)\(1\)](#)
  - Based on proportionate use and relative benefit received
- Guidance to assist Local WDBs, chief elected officials, and one-stop partners in local areas in determining equitable and stable methods of funding the costs of infrastructure at one-stop centers [20 CFR 678.705\(a\)\(2\)](#).
  - Based on proportionate use and relative benefit received



**PLEASE SHARE ANY  
QUESTIONS IN THE  
CHAT!**



---

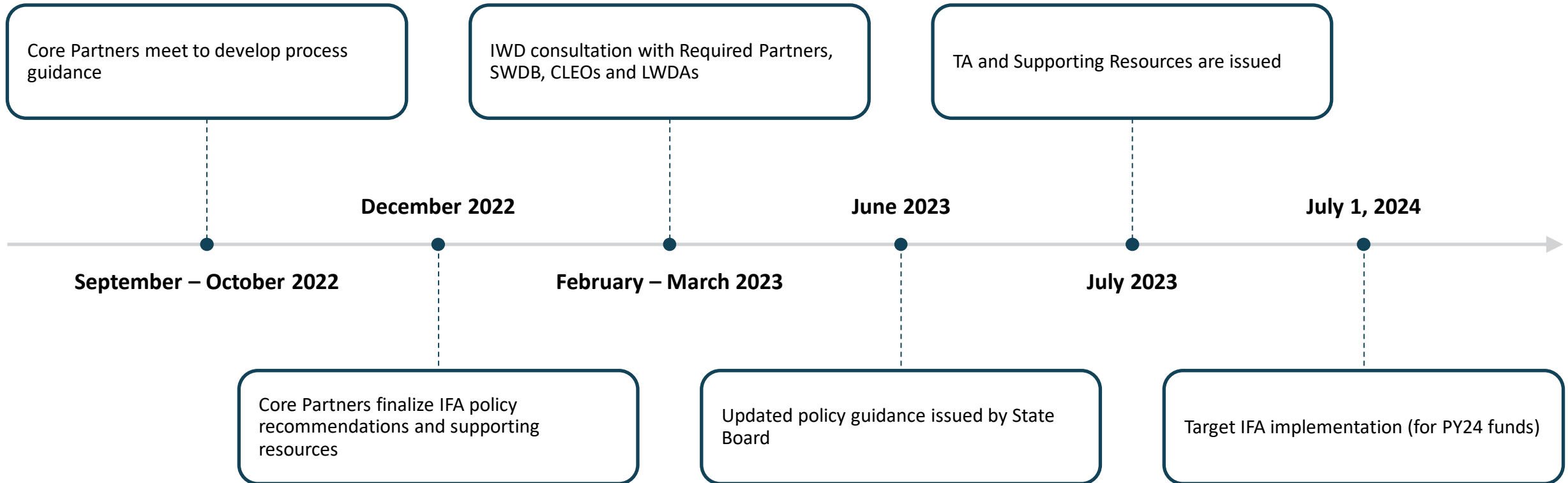
# Our Progress to Date

---

# HOW WE GOT HERE...

- MOU process development
  - MOU Guide and Template developed March 2021
- One-Stop Certification Standards and Guidance Development
  - 2021-2022; first round of Center certification to be completed by 9/30/23
- DOL monitoring

# IFA ROADMAP



**PLEASE SHARE ANY  
QUESTIONS IN THE  
CHAT!**



---

# MOU Policy Update: Recommendations from Core Partner Working Group

---

# LOCAL PROCESS FOR DEVELOPING OSOB/IFA



Develop

## *Infrastructure Funding and Other Cost-sharing Agreements*

- ▶ The IFA must use a cost allocation methodology that demonstrates how costs are charged to each partner in accordance with the relative benefit and proportionate use, and in accordance with the partner's authorizing statutes and regulations. ***Examples of cost allocation methodology include number of customers served, square footage used or number of full-time equivalent staff (FTEs).***
- ▶ In addition to jointly funding infrastructure costs, One-Stop partners must use a portion of funds made available under their programs' authorizing Federal law to pay the additional costs relating to the operation of the one-stop delivery system. These other costs must include applicable career services and may include other costs, including shared services. Shared costs must be allocated according to the proportion of benefit received by each of the partners, consistent with the Federal law authorizing the partner's program, and consistent with all other applicable legal requirements, including Federal cost principles requiring that costs are allowable, reasonable, necessary, and allocable.

***Blue italicized text reflects recommended language to add to current policy.***

# LOCAL PROCESS FOR DEVELOPING OSOB/IFA CONTINUED



Develop

## *For Infrastructure Funding and other cost-sharing agreements, the MOU must contain the following:*

- The period of time in which the IFA is effective. This may be a different time period than the duration of the MOU;
- Identification of an infrastructure and shared services budget that will be periodically reconciled against actual costs incurred and adjusted accordingly to ensure that it reflects a cost allocation methodology that demonstrates how infrastructure costs are charged to each partner in proportion to its use of the one-stop center and relative benefit received, and that complies with 2 CFR part 200 (or any corresponding similar regulation or ruling);
- Identification of all one-stop partners, Chief Elected Officials (CEOs), and Local Workforce Development Board (WDB) participating in the IFA;
- Steps the Local WDB, CEOs, and one-stop partners used to reach consensus or an assurance that the local area followed the guidance for the State funding process;
- A description of the process to be used among partners to resolve issues during the MOU duration period when consensus cannot be reached; and
- A description of the periodic modification and review process to ensure equitable benefit among one-stop partners.
- Any other provisions agreed to by the parties that are consistent with the authorizing statutes and regulations of One-Stop partner programs and the WIOA regulations.



# KEY DEFINITIONS



## Current MOU policy

- ➔ **Substantial change:** A more than 5%-10% deviation of any allocation percentages within the Infrastructure Funding Agreement (IFA)

## Recommended Update

- ➔ Remove: Substantial change definition from current MOU policy
  - Key terms will be explained in policy and defined/explained in supporting guide

# RECONCILIATION



## Current MOU policy

- The reconciliation of the budget and IFA will not require an amendment to the MOU, but it may require an adjustment to the IFA if there is a substantial change. An amendment to the IFA will not require an amendment to the MOU. However, an IFA amendment will require signatures of the Local WDB chair, CLEO, and all local required partners.
- During reconciliation, the data for all IFAs will be generated and reviewed for statistical fluctuations. Data will be shared with local partners. If there is a substantial change, local partners can request that the IFA be amended to more accurately reflect the actual allocation of infrastructure costs in the location. Examples of how this could happen include but are not limited to: a number of staff either enter or exit the location; the size of the leased space decreases or increases; many computers that use the internet are installed at the location.

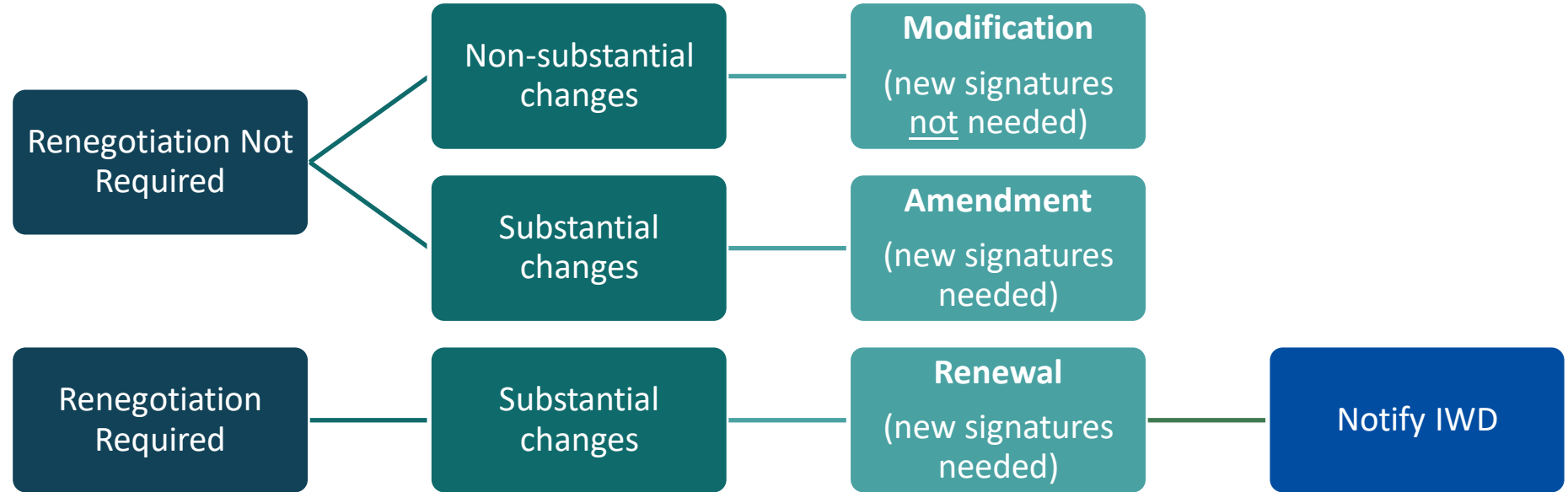
## Recommended Update

- The one-stop operating budget must be periodically reconciled against actual costs incurred and adjusted accordingly. As part of the MOU development process, local areas need to develop a process for periodic review and reconciliation of the one-stop operating budget against actual costs incurred (ex. monthly or quarterly). The budget must be adjusted accordingly through an amendment, modification, or renewal based on the nature of the adjustment. Local areas must ensure that a current MOU is submitted to IWD for permanent file when changes are made.

# MOU CHANGE PROCESS



- Periodic Reconciliation
- Annual review of MOU
- Request from Signatory



# CHANGING THE MOU



## *Proposed Revision*

- ▶ The MOU must include description of the periodic modification and review process to ensure equitable benefit among one-stop partners. The MOU may be changed through processes of modification, amendment, or renewal. Triggers for these types of change may include the annual review, periodic reconciliation or request from one of the signatories.
  - **Amendment:** Amendments are for adding, deleting, or editing terms and provisions that improve the contract on behalf of the parties and change the spirit of the agreement. All parties will need to review and agree to the elements of the MOU that have been changed and re-sign the MOU.
  - **Modification:** A modification is a change that does not alter the overall meaning or substance of the provisions in the agreement. A modification will require parties to review and agree to the elements that change but does not require new signatures of the MOU.
  - **Renewal:** If renegotiation will be required from all partners, the MOU must follow the process for renewal. Renewal requires all parties to review and agree to all elements of the MOU and re-sign the MOU.

# CHANGING THE MOU (2)



## MOU Amendment and Modification

*Annual review and periodic reconciliation may result in the identification of changes to be made to the MOU including the IFA or One-Stop Operating Budget. In developing the process for periodic modification and review, the Local WDB and partners may agree to circumstances that will prompt the amendment process. An amendment is triggered by a substantial change that requires renegotiation. This might include adding or removing a shared cost or service from the one-stop operating budget or a change in a partner's engagement in a center.*

The MOU should include a process to ensure that all parties receive advance notice of the amendment and are provided the opportunity to comment. The MOU should also include a provision to ensure that each party receive a copy of each executed MOU amendment and updated budget and/or IFA, as applicable, within a timely manner, *as established in the local process for periodic modification.*

*If a non-substantial change is identified and renegotiation is not required, a modification may be made to the MOU. All signatories should be made aware of the modification, as established in the local process for periodic modification. The MOU will not need to be re-signed for a modification.*

# CHANGING THE MOU (3)



## MOU Renewal

WIOA requires that the MOU contain provisions that specify when the process and timeframe for renewal of the MOU during the conclusion of each MOU period. MOUs are required to be renewed no less than every three (3) years by all Local WDBs and partners. ***Renewal will also be required when there are substantial changes to the MOU that must be renegotiated by all partners. Substantial changes that require renewal of the MOU include addition or removal of one-stop partner programs and the election of a new chief elected official. Renewal requires all parties to review and agree to all elements of the MOU and re-sign the MOU.***

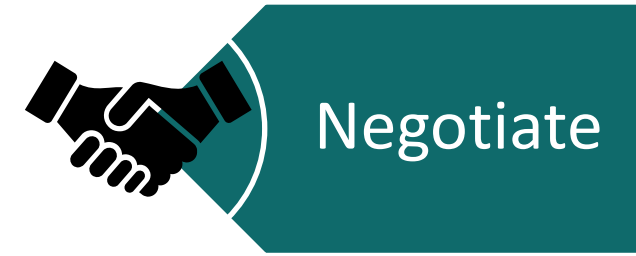
All parties must meet at least once annually, to review the current MOU, budget, and IFA to determine if re-negotiation of terms and/or costs is necessary. ***At the annual review, the MOU may be changed through processes of modification, amendment, or renewal.***

For the renewal MOU period, the IFA must be negotiated and executed concurrently with the MOU. If the IFA cannot be submitted as finalized by the due date, the existing IFA may remain in place for (one) 1 quarter.

All renewal MOUs must be executed by May 31 of the state fiscal year immediately preceding the state fiscal year in which it will take effect. If an MOU is in process, but all signatures will not be acquired by the May 31 deadline, Local WDBs designee must provide written notice electronically to [WIOAgovernance@iwd.iowa.gov](mailto:WIOAgovernance@iwd.iowa.gov) that signatures are forthcoming and provide an estimated date of submission.

If the MOU is not submitted and finalized in a timely manner as described above, the existing MOU with the IFA may remain in place for ***up to*** (one) 1 quarter. ***If the local board reports an impasse in infrastructure funding negotiations, the State Funding Mechanism (SFM) may be triggered.***

# EXPECTATIONS FOR LOCAL NEGOTIATION



## Negotiating MOUs

WIOA emphasizes full and effective partnerships between Local WDBs, CEOs, and One-Stop partners. Local WDBs and partners must enter into good-faith negotiations. Local WDBs, CEOs, and One-Stop partners may also request assistance from a State agency responsible for administering the partner program, the Governor, State WDB, or other appropriate parties on other aspects of the MOU. ***If a local negotiation impasse persists, assistance may be requested from the US Department of Labor Region V office to preserve the local funding mechanism.***

The Local WDB must report to the State WDB, Governor, and relevant State agency when MOU negotiations with One-Stop partners have reached an impasse.

- The Local WDB and partners must document the negotiations and efforts that have taken place in the MOU. The State WDB, One-Stop partner programs, and the Governor may consult with the appropriate Federal agencies to address impasse situations related to issues other than infrastructure funding after attempting to address the impasse. Impasses related to infrastructure cost funding must be resolved using the ***State funding mechanism (SFM) for infrastructure cost funding.***
- The Local WDB must report failure to execute an MOU with a required partner to the Governor, State WDB, and the State agency responsible for administering the partner's program. Additionally, if the State cannot assist the Local WDB in resolving the impasse, the Governor or the State WDB must report the failure to the Secretary of Labor and to the head of any other Federal agency with responsibility for oversight of a partner's program.

## Current MOU Support Resources

- ➔ MOU Template and Guidance
- ➔ MOU Q&A Session Recording
- ➔ Q&A PDF

Available on Iowa State Board website

<https://www.iowawdb.gov/lwdb-information>

## Planned TA Resources

- ➔ MOU Guidance to include development of One-Stop Operating Budget and Infrastructure Funding Agreement
- ➔ OSOB Workbook Template
- ➔ Recorded Training Session on OSOB and IFA development





## UPDATES TO IOWA'S MEMORANDUM OF UNDERSTANDING TEMPLATE GUIDANCE

---

- Overview of Infrastructure Funding Agreement Components and Considerations
- Iowa's MOU Shared Cost Framework including a case study example for each step
- One-Stop Operating Budget Workbook Instructions
- Glossary of Key Terms



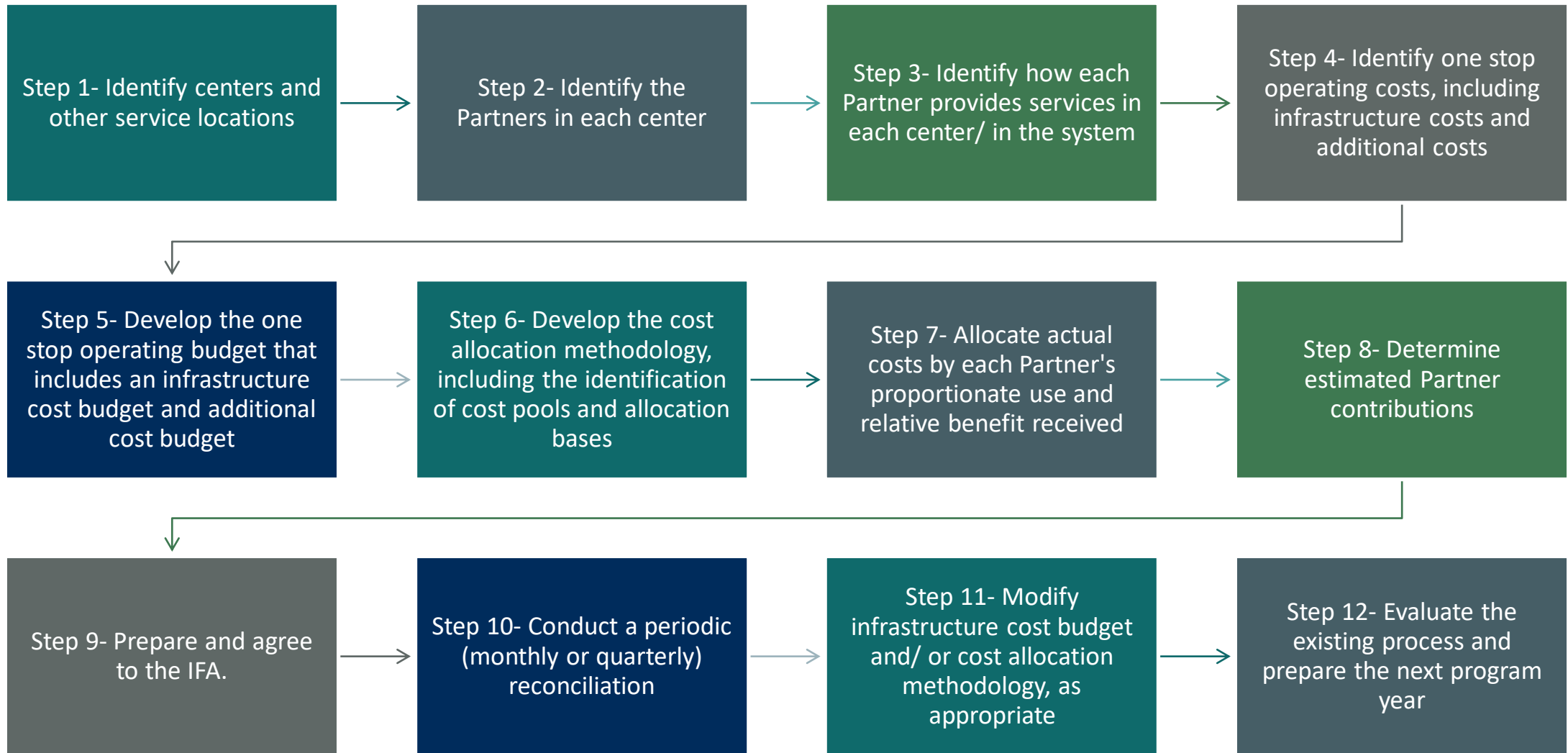
### LOCAL WORKFORCE DEVELOPMENT AREA MEMORANDUM OF UNDERSTANDING

*Template Guidance*

---



# IOWA'S COST SHARING FRAMEWORK: FROM MOU TO IFA



**PLEASE SHARE ANY  
QUESTIONS IN THE  
CHAT!**



---

# Questions, Feedback, and Discussion

---

# QUESTIONS FOR FEEDBACK AND DISCUSSION

- Let's start by reviewing and responding to comments and questions from the chat.
- What overarching questions and comments do you have?
- Are there lessons learned from the MOU development process that we can bring into the IFA work?
- Do you anticipate any specific potential challenges or concerns? If so, what are those?
- What are the ways in which your state WIOA core partners can best support and assist you and your local partners in IFA development?
- Are there areas in which you or your local partners might need additional policy information on IFA requirements, processes, timelines, or other topics?
- Do you have or anticipate any training or technical assistance needs in addition to those already planned?

---

# Looking Ahead

---

Next Steps and Resource Development

# POLICY AND SUPPORTING RESOURCES

- Refining and finalizing policy for SWDB review and approval in June 2023
- Ongoing work to finalize the combined MOU/IFA guide and create the recorded training with support resources released Summer 2023
  - Submit any feedback on draft guide to [WIOAgovernance@iwd.iowa.gov](mailto:WIOAgovernance@iwd.iowa.gov) by April 1, 2023

## ***Additional IFA Consultation Sessions***

- Thursday, February 16, 10:00-11:00 AM CT: WIOA Required Partners
- Thursday, March 2, 10:00-11:00 AM CT: Chief Elected Officials
- Thursday, March 23, 10:00-11:00 AM CT: Local Workforce Development Boards
- April 2023 TBD: State Workforce Development Board

# HOW CAN PARTNERS SUPPORT LOCAL AREA INFORMATION NEEDS IN OSOB/IFA DEVELOPMENT PROCESS?

- Provide information and data needed to complete the OSOB and IFA
  - Internal processes for providing needed information per center or local area
- Ensure participation in the local development process
  - Staff should be knowledgeable and able to make decisions
  - Prepare staff who will be participating
- Example costs to consider:
  - Internet costs
  - Outreach materials (for the center, not just one partner)
  - Chamber of Commerce membership dues
  - Fees for customer assessment tools



**THANK YOU!**





# IWD CONTACT

**Wendy Greenman**

*Bureau Chief WIOA Title I | Trade*

[wendy.greenman@iwd.iowa.gov](mailto:wendy.greenman@iwd.iowa.gov)