

## Attachment II: Paying for the One-Stop Delivery System

### GOVERNOR GUIDANCE

*WIOA sec. 121(h)(1)(B); 20 CFR 678.705, 34 CFR 361.705, 34 CFR 463.705*

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

### LOCAL DELIVERY SYSTEM

*WIOA sec. 121; 20 CFR 678.300, 34 CFR 361.300, 34 CFR 463.300*

- The Local WDB and CEO(s) finalize the list of one-stop delivery system partners in a local area
- The Local WDB, CEO(s), and partners:
  - Identify one-stop delivery system locations and determine types of locations (comprehensive, affiliate, specialized one-stop centers, etc.),
  - Determine services to be provided through the one-stop delivery system, and
  - Develop and agree on a one-stop delivery system operating budget(s).

### MEMORANDUM OF UNDERSTANDING (MOU)

*WIOA sec. 121(c); 20 CFR 678.500, 34 CFR 361.500, 34 CFR 463.500*

- The Local WDB, with the agreement of the CEO(s), develops and enters into a signed umbrella memorandum of understanding (MOU) or individual MOUs with the one-stop partners.
- MOUs must, at a minimum, describe the services to be provided, contain the one-stop operating budget, outline how infrastructure and additional costs will be funded, and contain several other elements outlined in WIOA sec. 121(c) and 20 CFR 678.500, 34 CFR 361.500, and 34 CFR 463.500.
- An **Infrastructure Funding Agreement (IFA)** is established that describes a reasonable cost allocation methodology, where infrastructure costs are charged to each partner based on partners' proportionate use of the one-stop center, relative to the benefits received from the use of the one-stop center consistent with Federal Cost Principles in the Uniform Guidance at 2 CFR part 200 and the Department of Labor exceptions at 2 CFR part 2900.
- The IFA must be consistent with the partner programs' authorizing laws and regulations, and other applicable legal requirements.
- Changes in the one-stop partners or an appeal by a one-stop partner's infrastructure cost contributions will require an update of the MOU.
- The IFA is a part of the MOU; it is not a separate document.

### Was consensus on the IFA obtained?

Consensus Obtained Local Funding Mechanism	No Consensus Obtained State Funding Mechanism
<i>WIOA sec. 121(h); 20 CFR 678.715 – 678.745, 34 CFR 361.715 – 361.745, and 34 CFR 463.715 – 463.745</i>	
<ul style="list-style-type: none"> <li>▪ Continue one-stop operations and service delivery.</li> <li>▪ Periodically reconcile IFA with actual costs.</li> <li>▪ Modify other costs, such as additional costs budget, and partner contributions, as appropriate.</li> <li>▪ Modify allocation methods, if necessary.</li> </ul>	<ul style="list-style-type: none"> <li>▪ When local negotiations for PY 2017 (and subsequent PYs) are unable to reach consensus, notify Governor by deadline established in Governor's guidance to trigger state funding mechanism<sup>1</sup>.</li> <li>▪ Once partner contributions are determined, periodically reconcile IFA with actual costs.</li> <li>▪ Modify other costs, such as additional costs budget, and partner contributions, as appropriate.</li> <li>▪ Modify allocation methods, if necessary.</li> </ul>

<sup>1</sup> For PY 2016, continue one-stop operations and service delivery as long as possible, using processes established under WIA.

## Types of One-Stop Delivery System Costs

### INFRASTRUCTURE COSTS

WIOA sec. 121(h)(4); 20 CFR 678.700(a)-(b), 34 CFR 361.700(a)-(b), 34 CFR 463.700(a)-(b)

- Non-personnel costs
- Costs necessary for the general operation of the one-stop center, including but not limited to:
  - Applicable facility costs (such as rent) including costs of utilities and maintenance
  - Equipment (including assessment-related products and assistive technology for individuals with disabilities)
  - Technology to facilitate access to the one-stop center, including technology used for the center’s planning and outreach activities
  - May consider common identifier costs as costs of one-stop infrastructure
  - May consider supplies as defined in the Uniform Guidance at 2 CFR 200.94, to support the general operation of the one-stop center.

### ADDITIONAL COSTS

WIOA sec. 121(i)(1); 20 CFR 678.760(a)-(b), 34 CFR 361.760(a)-(b), 34 CFR 463.760(a)-(b)

(Applicable career services, shared operating costs, and shared services)

- Must include the costs of the provision of career services in WIOA sec. 134(c)(2) applicable to each program consistent with partner program’s authorizing Federal statutes and regulations, and allocable based on Federal cost principles in the Uniform Guidance at 2 CFR part 200.
- May include shared operating costs and shared services that are authorized for, and may be commonly provided through, the one-stop partner programs, including initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services, referrals to other one-stop partners, and business services.

### INFRASTRUCTURE FUNDING TYPES

20 CFR 678.720 and 678.760, 34 CFR 361.720 and 361.760, 34 CFR 463.720 and 463.760

Cash	Non-Cash	Third-Party In-Kind
<ul style="list-style-type: none"> <li>▪ Cash funds provided to the local board or its designee by one-stop partners, either directly or by an interagency transfer, or by a third party.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Expenditures incurred by one-stop partners on behalf of the one-stop center; and</li> <li>▪ Non-cash contributions or goods or services contributed by a partner program and used by the one-stop center.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Contributions of space, equipment, technology, non-personnel services, or other like items to support the infrastructure costs associated with one-stop operations, by a non-one-stop partner to:               <ul style="list-style-type: none"> <li>• Support the one-stop center in general; or</li> <li>• Support the proportionate share of one-stop infrastructure costs of a specific partner.</li> </ul> </li> </ul>
<p>Must be valued consistent with 2 CFR 200.306 to ensure they are fairly evaluated and meet the partners’ proportionate share. Partners must fairly value contributions on a periodic and annual basis.</p>		