



## WorkSource System Policy Employment System Administration and Policy

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Washington envisions a nationally recognized fully integrated One-Stop system with enhanced customer access to program services, improved long-term employment outcomes for job seekers and consistent, high quality services to business customers. In order to achieve this vision, Employment System Administration and Policy sets a common direction and standards for Washington's WorkSource system through the development of WorkSource system policies, information memoranda, and technical assistance.

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**Policy Number:** 1013 Revision 2

**To:** Washington WorkSource System

**Effective Date:** June 22, 2021

**Subject:** One-Stop Memorandum of Understanding (MOU)

### 1. Purpose:

This policy establishes a framework and minimum standards that align with federal law, regulation, and guidance for the development of One-Stop Memoranda of Understanding (MOU).

### 2. Background:

MOU are federally mandated agreements managed by Local Workforce Development Boards (LWDBs) with the concurrence of Local Chief Elected Officials (LCEOs) and one-stop partner programs. MOU address the operation of the one-stop system in Workforce Development Areas (WDAs) and outline each partner program's role in the delivery of services to individuals within the integrated one-stop system.

MOU offer flexibility for LWDBs and one-stop partner programs to collaborate in providing programs and services to meet local needs. MOU also support statewide goals for the one-stop system to provide high quality employment and training services that strengthen the state's businesses and industries and increase the skills of job seekers that will result in employment.

LWDBs must ensure there is an MOU in place reflecting overall strategies and partner program commitment to the one-stop system. The development of an MOU is an important part of LWDBs' responsibility for convening local one-stop partners and stakeholders, planning the area's workforce development strategy and overseeing effective working relationships of partners in comprehensive, affiliate, and specialized one-stops.

The WorkSource System is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Language assistance services for limited English proficient individuals are available free of charge.

### 3. Policy:

#### a. Requirement to develop an MOU:

Each LWDB, with the agreement of the LCEO(s), must develop and enter into a signed MOU between the LWDB and the one-stop partner programs concerning the operation of comprehensive, affiliate, and specialized one-stop sites in their WDA.

MOU can be local one-stop system-wide agreements (i.e., one umbrella MOU) or they can consist of several agreements (i.e., multiple umbrella MOU or per individual partner programs with an overall agreement that describes partner programs' roles and contributions) within WDAs. The State's minimum requirement is that there will be in place at least one signed MOU per WDA. LWDBs can also have MOU with LWDBs in adjoining WDAs that share common labor sheds, sectors, etc.

It is understood by the partner programs to the MOU that each will fulfill its responsibilities under the MOU in accordance with the provisions of law and regulations governing their activities. Nothing in the agreement is intended to negate or otherwise interfere with any such provisions or requirements.

#### b. The following programs are **required one-stop partner programs** and must provide required activities and services within the one stop system (WIOA sec. 121(b)(1)(B), 20 CFR 678.400, 34 CFR 361.400, 34 CFR 463.400 and TEGL 17-16):

- WIOA Title I:
  - Youth, Adult and Dislocated Worker programs;
  - Job Corps;
  - YouthBuild;
  - National Farmworker Jobs Program;
  - Native American programs;
- Wagner-Peyser Employment Services Program under WIOA Title III;
- Senior Community Service Employment Program (SCSEP), authorized under Title V of the Older Americans Act of 1965;
- Trade Adjustment Assistance (TAA) activities under Title II of Trade Act of 1974, as amended;
- Programs authorized under state Unemployment Compensation laws-Unemployment Insurance (UI), including Reemployment Services and Eligibility Assessment (RESEA);
- Veterans' programs including Jobs for Veterans State Grants (JVSG);
- ReEntry Employment Opportunities (REO) programs under WIOA Section 169;
- Adult Education and Literacy Act (AEFLA) program under WIOA Title II;
- Career and technical education postsecondary programs authorized under Carl D. Perkins Act of 2006 (Perkins IV);
- Vocational Rehabilitation (VR) program authorized under WIOA Title IV;
- Housing and Urban Development (HUD) Employment and Training activities;
- Community Services Block Grant (CSBG) Employment and Training program; and
- Temporary Aid for Needy Families (TANF) program under part A of Title IV of Social

In WDAs where the programs listed above have no presence, those programs need not sign MOU. Also, additional local organizations may be partners in MOU as determined by LWDBs in agreement with LCEO(s) (see TEGl 17-16 for information on Additional Partners).

NOTE: In addition to the mandated program partners in Section (b) above, additional optional partners who carry out workforce development service in the local area **MAY** be one-stop partners for the local area and carry out the responsibilities described in WIOA 121(1)(A). Additional partners, at the discretion of LCEO and LWDB, are encouraged to contribute to proportionate use and relative benefit received of infrastructure costs but are not subject to the State Funding Mechanism (SFM), nor can their failure to contribute trigger the SFM. Also, all mandated partners providing services in the local area *must* sign the MOU; additional optional partners *may*.

**c. Each MOU must include the following information:**

- i. Description of services to be provided through the one-stop delivery system consistent with WIOA Section 121(c)(2)(A), including the manner in which the services will be coordinated and delivered through the one-stop system;

LWDBs are encouraged to consider developing separate descriptions for individual comprehensive, affiliate, and specialized one-stop sites. This approach provides a more accurate and detailed depiction of the strategy and each partner program's role. The inclusion of these descriptions in the MOU is helpful to ensure partner programs are aware of their responsibilities.

MOU must clearly describe the area's combined strategy and each partner program's roles and responsibilities in service delivery.

- ii. How the costs of such services and the operating costs of such system will be funded (see Attachment I), including:
  - a. Funding through cash and in-kind contributions (fairly evaluated), which contributions may include funding from philanthropic organization or other private entities, or through other alternative financing options, to provide a stable and equitable funding stream for ongoing one-stop delivery system operations; and
  - b. Funding of the infrastructure costs of comprehensive, affiliate and specialized one-stops in accordance with subsection (h) under WIOA Section 121.

NOTE: All mandated partner programs (unless that program does not have a presence in the entire local area) must participate in and contribute to the operation and infrastructure costs of the comprehensive one-stop center(s). Only partners that participate in the affiliate one-stop center are required to contribute to the infrastructure costs for those sites (whether the services are provided in person or through direct linkage-phone, video link, etc.). The financial contributions of one-stop partners through direct linkage may be

different than those one-stop partners with a physical presence, regardless of the type of center.

- iii. Methods of referral of individuals between the one-stop operator and the one-stop partners for appropriate services and activities.
- iv. Methods to ensure the needs of workers and youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in the provision of necessary and appropriate access to services, including access to technology and materials, made available through the one-stop system.
- v. The duration of the memorandum of understanding and the established procedures for amending the MOU during the duration of the memorandum (including the timeframes for these changes), and assurances that such memorandum will be reviewed not less than once every three years to ensure appropriate funding and delivery of services.

MOU are living documents that should serve one-stop partners by establishing consistent and cooperative operations. Routine operations with continuous improvement changes normally do not require modifications, however, substantial changes, such as changes in one-stop partners, or a change due to the election of a new LCEO(s), require renewal of the MOU. Renewal of the MOU requires all parties to review and agree to all elements of the MOU. When the local area has created a new Infrastructure Funding Agreement (IFA), the MOU must be updated. For example, a partner's appeal to the State regarding infrastructure costs that results in a change to the one-stop partner's infrastructure cost contributions requires updating the MOU. Updating the MOU does not require renewal of the MOU.

Note: Per TEGL 16-16, renewal of an MOU requires all parties to review and agree to all elements of the MOU and resign the MOU. Amendment or modification of the MOU only requires the parties to review and agree to the elements of the MOU that changed.

- vi. Signatories-The MOU must contain signatures of the LWDB Chair (or their designee), LCEO(s), and authorized representatives of each partner program.

NOTE: While WIOA is silent on the use of electronic signatures specific to MOU, per [5 CFR 850.106](#), [31 CFR 370.38](#), [15 USC 96 Sec. 7001](#) and [RCW 1.80.060](#), the use and validity of electronic signatures is allowed with mutual agreement of all parties. However, parties cannot be made to use an electronic form of signature if they prefer instead to use physical signatures (see [RCW 1.80.040](#)).

- vii. Additional Requirements:

The following agreements and procedures must also be attached or incorporated in MOU (attached, hyperlinked or embedded):

- One-Stop Operator Agreement (including disclosure of any potential conflicts of interest arising from relationships of the operator with particular training or other service providers);

- The Initial Customer Complaints procedure; and
  - The local Dispute Resolution procedure
- viii. Such other provisions, consistent with WIOA requirements, that the parties to the agreement determine appropriate. LWDBs may incorporate additional language into MOU if agreement is reached on additional local requirements.

*NOTE: Refer to the [WorkforceGPS Sample Memorandum of Understanding Toolkit](#) for complete and compliant MOU elements.*

#### **d. Dispute Resolution Guidance**

##### **i. Local Dispute Resolution:**

Disagreements may occur as partners participate in the local one-stop system or discuss the MOU and any amendments to it. In such cases, LWDBs must have dispute resolution procedures that cover steps to be taken to resolve disputes, including those regarding specific provisions of language within MOU or amendments to MOU. LWDB dispute resolution procedures must be followed and all local actions documented.

##### **ii. State Level Dispute Resolution:**

WIOA emphasizes full and effective partnerships between LWDBs and one-stop partner programs. Disputes should, wherever possible, be resolved at the local level.

When LWDBs and local one-stop partners enter into good faith negotiations and reach impasses, the following steps must be followed in order:

1. The LWDB and required partners must send a letter to the Workforce Training and Education Coordinating Board (WTECB), as the Governor's designee, notifying the State of the impasse. The letter must outline the issues and parties involved in detail and provide documentation of actions taken, however unsuccessful, to resolve the dispute.
2. WTECB must engage the LWDB, one-stop operator, one-stop partner programs, LCEO(s) and any other parties mutually deemed appropriate in an effort to resolve the dispute. Prior to issuing its decision, WTECB may seek alternatives such as asking for third-party mediation or dispute resolution with appropriate Federal agencies to propose a resolution.
3. WTECB must issue a final written decision to all parties.
4. If the impasse continues in disputes regarding the failure to sign the MOU, a report will also be sent to the U.S. Department of Labor as noted in 662.310(b) and to the head of any other Federal agency with responsibility for oversight of a one-stop partner program.

#### **e. Monitoring Expectations**

- i. The Workforce Monitoring Unit must verify that the LWDB, with the agreement of the local CEO(s), has a properly executed MOU, and ensures that the MOU meets state and federal requirements. The following content is required:

- Current signatures of required partners;
  - Description of the services to be provided through the one-stop system including the manner in which the services will be coordinated and delivered;
  - Description of how the costs of the outlined services will be funded and how the operating costs of the one-stop system will be funded (including funding through cash and in-kind contributions and funding of the infrastructure costs);
  - Description of the methods for referral of individuals between the One-Stop Operator and the one-stop partners, for the appropriate services and activities;
  - The effective dates and duration of the MOU;
  - The procedures and timeframe for amending the MOU during the term of the MOU;
  - The One-Stop Operator agreement (attached, hyperlinked or embedded);
  - The Initial Customer Complaints procedure (attached, hyperlinked or embedded); and
  - The local Dispute Resolution procedure (attached, hyperlinked or embedded).
- ii. The Workforce Monitoring Unit must review the local Dispute Resolution procedure to ensure both stages of dispute resolution are outlined, including the local process for dispute resolution that takes place prior to involving-WTECB.

#### 4. **Definitions:**

**Infrastructure Costs-** Non-personnel costs that are necessary for the general operation of the one-stop center, including but not limited to: rental of facilities; utilities and maintenance, equipment (including assessment-related and assistive technology for individuals with disabilities); and technology to facilitate access to the one-stop center, including for the center’s planning and outreach activities.

**Infrastructure Funding Agreement (IFA)** –a mandatory component of the MOU, described in WIOA 121(c) and 20 CFR 678.500 and 678.755 that contains the infrastructure costs budget, which is an integral component of the over one-stop operating budget. The other component of the one-stop operating budget consists of additional costs. Only infrastructure costs are recognized in the IFA. IFA are negotiated by LWDBs to achieve consensus amongst required partners. The IFA is completed and signed concurrently with the MOU.\*Source-[DOLETA Frequently Asked Questions in support of TEGl 16-16 and 17-16](#)

**Memorandum of Understanding (MOU)** - The MOU is a formal agreement developed and executed by the local WDB and partners, with agreement of local CEO(s), relating to the operation of the one-stop delivery system. It further defines roles, responsibilities, and the flow of services to be provided by one-stop partner programs in the local WDA and ensures the successful integration and implementation of partner programs in the one-stop system.

**WorkSource Center or One-Stop Center** - A WorkSource Center is a comprehensive, affiliate, or specialized one-stop career center or site created to provide jobseeker and employer services. Each center provides an array of required and locally determined services to meet the needs of business and job-seeking customers.

**Workforce Development Area (WDA)** - WDA is the term used for “local workforce investment area” and has the same meaning. The term “local area” means a local workforce

investment area designated by the Governor under WIOA Section 116.

**Local Workforce Development Board (LWDB)** - Local Workforce Development Boards (LWDB) are established under WIOA Section 117. LWDBs represent the trustee body of local workforce development systems. LWDBs work on behalf of and in coordination with Local Chief Elected Officials (LCEOs) and represent a broad cross-section of the local community interested in workforce development.

**WorkSource Partner or One-Stop Partner** - Any entity that takes part in delivering one-stop services to customers and whose roles and responsibilities are outlined in a Memorandum of Understanding. The term “one-stop partner” means— (A) an entity described in section 121(b)(1); and (B) an entity described in section 121(b)(2) that is participating with the approval of the LWDB and LCEO(s) in the operation of a one-stop delivery system.

**5. References:**

- [WIOA Law](#) (WIOA Sec. 121(a)(1); 121(b)(1 and 2);121(c)(2)(A)(i-v); and 121(h)[21 U.S.C. 3151(h)])
- WIOA Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule, published August 19, 2016 at 81 FR 55791 (§361.500-510; § 361.755-760; § 463.300; §463.500-510 and §463.755-760)
- [5 CFR 850.106](#), [31 CFR 370.38](#), [15 USC 96 Sec. 7001](#) and [RCW 1.80.060](#)
- [20 CFR 678, Subparts B and C](#) (20 CFR 678.400-425, 20 CFR 678.500-510; 20 CFR 678.700-760 and 20 CFR678.900)
- [TEGL 16-16 WIOA-General Guidance for One-Stop Operations](#)
- [TEGL 17-16](#)
- [WorkforceGPS Sample MOU and Infrastructure Costs Toolkit](#)
- [WorkSource System Policy 1012, Rev. 1](#) (Complaint Resolution)

**6. Supersedes:**

WorkSource Policy 1013, Revision 1, WorkSource Memorandum of Understanding

**7. Website:**

<https://wpc.wa.gov/policy/state/worksource>

**8. Action:**

Local Workforce Development Boards and their contractors must distribute this policy broadly throughout the system to ensure that WorkSource On-Stop System staff are familiar with its content and requirements.

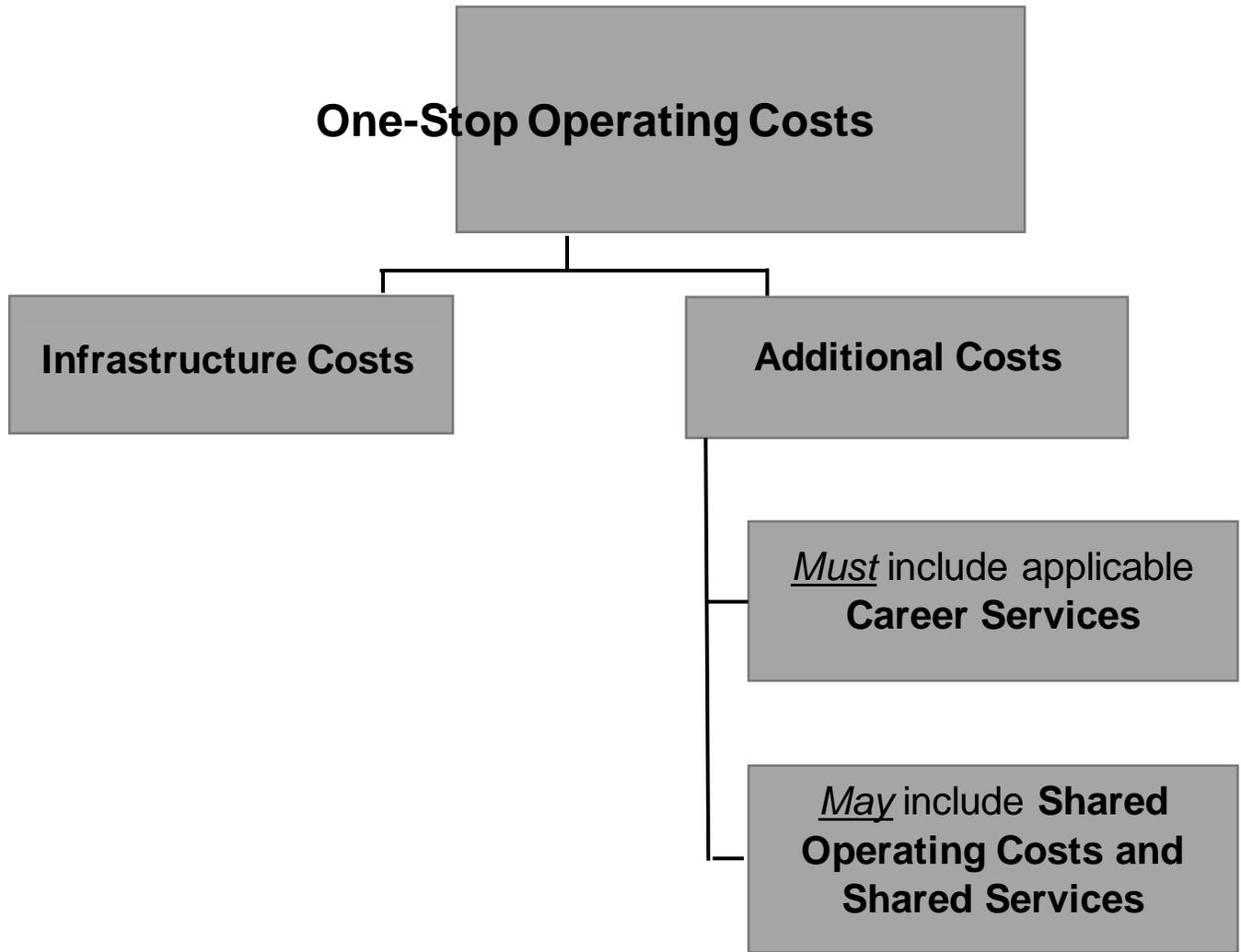
**9. Attachments:**

[Attachment A](#) - One-Stop Operating Costs Diagram

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Attachment A – One Stop Operating Costs Diagram



Source: TEGL 17-16, Attachment IV