<table>
<tr><th><u>WIOA Title I Proposed CFR – Local MOU Content</u></th><th><u>DVR Role & Commitment</u></th></tr>
<tr><td><u>§ 678.500 What is the Memorandum of Understanding for the one-stop delivery system and what must be included in the Memorandum of Understanding?</u></td><td></td></tr>
<tr><td>(b) The MOU must include:
(1) A description of services to be provided through the one-stop delivery system, including the manner in which the services will be coordinated and delivered through the system;
(2) A final plan, or an interim plan if needed, on how the costs of the services and the operating costs of the system will be funded, including:
(i) Funding of infrastructure costs of one-stop centers in accordance with §§ 678.700 through 678.755; and
(ii) Funding of the shared services and operating costs of the one-stop delivery system described in § 678.760;
(3) Methods for referring individuals between the one-stop operators and partners for appropriate services and activities;
(4) Methods to ensure that the needs of workers, youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in providing access to services, including access to technology and materials that are available through the one-stop delivery system;
(5) The duration of the MOU and procedures for amending it; and
(6) Assurances that each MOU will be reviewed, and if substantial changes have occurred, renewed, not less than once every 3-year period to ensure appropriate funding and delivery of services.
(c) The MOU may contain any other provisions agreed to by the parties that are consistent with WIOA title I, the</td><td>DVR will fully engage in development of local MOUs. The appointed DVR representative to the local WDC will have the lead role for DVR in developing the MOU and the authority to sign it.

DVR services will be available through the one-stop system:
DVR will fully co-locate at least at 1 major WorkSource Center per WDC
DVR will assign staff to other WorkSource Centers on a satellite basis
Access to online referral to DVR services will be available at all WorkSource Centers
DVR wants to strongly collaborate with other local one-stop partners to:
Improve WorkSource service delivery to job seekers (adults and youth) with all types of disabilities, particularly those with sensory disabilities (blindness and deafness) and psychiatric disabilities;
Work closely with employers who have federal contracts and must meet requirements for the employment of individuals with disabilities and veterans; and
Achieve Governor Inslee’s goals for increasing the employment of Washingtonians with disabilities</td></tr>
</table>

authorizing statutes and regulations of one-stop partner programs, and the WIOA regulations. (WIOA sec. 121(c).) (d) When fully executed, the MOU must contain the signatures of the Local Board, one-stop partners, the chief elected official(s), and the time period in which the agreement is effective. The MOU must be updated not less than every 3 years to reflect any changes in the signatory official of the Board, one-stop partners, and chief elected officials, or one-stop infrastructure funding. (e) If a one-stop partner appeal to the State regarding infrastructure costs, using the process described in § 678.750, results in a change to the one-stop partner's infrastructure cost contributions, the MOU must be updated to reflect the final one-stop partner infrastructure cost contributions.	
<u>§ 678.700 What are one-stop infrastructure costs</u>?	
(a) Infrastructure costs of one-stop centers are nonpersonnel costs that are necessary for the general operation of the one-stop center, including: (1) Rental of the facilities; (2) Utilities and maintenance; (3) Equipment (including assessment-related products and assistive technology for individuals with disabilities); and (4) Technology to facilitate access to the one-stop center, including technology used for the center's planning and outreach activities. (b) Local Boards may consider common identifier costs as costs of one-stop infrastructure. (c) Each entity that carries out a program or activities in a local one-stop center, described in §§ 678.400 through 678.410, must use a portion of the funds	DVR will contribute to infrastructure costs of WorkSource Centers on the following basis: • Pay actual facility and related costs for space occupied by DVR staff • Pay all other infrastructure costs at a rate that is proportional to the usage of WorkSource Center services utilized by DVR customers (DVR will match its customer data with WS data to determine the actual number of customers who utilize services by location to determine a proportional infrastructure cost to be paid) – Example, DVR customers count for 15.0% of all WS customers, DVR contributes 15.0% of total infrastructure costs • DVRs contribution to infrastructure

available for the program and activities to maintain the one-stop delivery system, including payment of the infrastructure costs of one-stop centers. These payments must be in accordance with this subpart; Federal cost principles, which require that all costs must be allowable, reasonable, necessary, and allocable to the program; and all other applicable legal requirements.	costs will be reviewed and adjusted annually
§ 678.715 How are one-stop infrastructure costs funded in the local funding mechanism?	
(a) In the local funding mechanism, the Local Board, chief elected officials, and one-stop partners agree to amounts and methods of calculating amounts each partner will contribute for one-stop infrastructure funding, include the infrastructure funding terms in the MOU, and sign the MOU. The local one-stop funding mechanism must meet all of the following requirements: (1) The infrastructure costs are funded through cash and fairly evaluated in-kind partner contributions and include any funding from philanthropic organizations 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; (2) Contributions must be negotiated between one-stop partners, chief elected officials, and the Local Board and the amount to be contributed must be included in the MOU; (3) The one-stop partner program's proportionate share of funding must be calculated in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR part 200 based upon a reasonable cost allocation	DVR's contribution to infrastructure costs will be made by cash transfer Will need to determine if a "Resource Sharing Agreement" or the MOU will be the funding instrument to be used for agreeing to the amount and method of cash transfer

methodology whereby infrastructure costs are charged to each partner in proportion to relative benefits received, and must be allowable, reasonable, necessary, and allocable; (4) Partner shares must be periodically reviewed and reconciled against actual costs incurred, and adjusted to ensure that actual costs charged to any one-stop partners are proportionate and equitable to the benefit received by the one-stop partners and their respective programs or activities. (b) In developing the section of the MOU on one-stop infrastructure funding fully described in § 678.755, the Local Board and chief elected officials will: (1) Ensure that the one-stop partners adhere to the guidance identified in § 678.705 on one-stop delivery system infrastructure costs. (2) Work with one-stop partners to achieve consensus and informally mediate any possible conflicts or disagreements among one-stop partners. (3) 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. (c) The MOU may include an interim infrastructure funding agreement, including as much detail as the Local Board has negotiated with one-stop partners, if all other parts of the MOU have been negotiated, in order to allow the partner programs to operate in the one-stop centers. The interim infrastructure agreement must be finalized within 6 months of when the MOU is signed. If the infrastructure interim infrastructure agreement is not finalized within that timeframe, the Local Board must notify the Governor, as described in § 678.725.	

<u>§ 678.720 What funds are used to pay for infrastructure costs in the local one-stop infrastructure funding mechanism?</u>	
(b) There are no specific caps on the amount or percent of overall funding a one-stop partner may contribute to fund infrastructure costs under the local one-stop funding mechanism, except that contributions for administrative costs may not exceed the amount available for administrative costs under the authorizing statute of the partner program. However, amounts contributed for infrastructure costs must be allowable and based on proportionate use by or benefit to the partner program, taking into account the total cost of the one-stop infrastructure as well as alternate financing options, and must be consistent with 2 CFR chapter II, including the Federal cost principles.	DVR's proposed method of paying infrastructure based on actual facility costs incurred by DVR staff and proportional costs based on DVR customer utilization of WS services is in accordance with federal cost principles

WIOA Title I

§ 678.420 What are the roles and responsibilities of the required one-stop partners?

Each required partner must:

(a) Provide access to its programs or activities through the one-stop delivery system, in addition to any other appropriate locations; (WIOA sec. 121(b)(1)(A)(i).)

(b) Use a portion of funds made available to the partner's program, to the extent consistent with the Federal law authorizing the partner's program and with Federal cost principles in 2 CFR parts 200 and 2900 (requiring, among other things, that costs are allowable, reasonable, necessary, and allocable), to:

(1) Provide applicable career services; and

(2) Work collaboratively with the State and Local Boards to establish and maintain the one-stop delivery system. This includes jointly funding the one-stop infrastructure through partner contributions that are based upon:

(i) A reasonable cost allocation methodology by which infrastructure costs are charged to each partner in proportion to the relative benefits;

(ii) Federal cost principles; and

(iii) Any local administrative cost requirements in the Federal law authorizing the partner's program. (This is further described in § 678.700). (WIOA sec. 121(b)(1)(A)(ii).)

(c) Enter into an MOU with the Local Board relating to the operation of the one-stop system that meets the requirements of § 678.500(d);

(d) Participate in the operation of the one-stop system consistent with the terms of the MOU, requirements of authorizing laws, the Federal cost principles, and all other applicable legal requirements; (WIOA sec. 121(b)(1)(A)(iv)); and

(e) Provide representation on the State and Local Workforce Development Boards as required and participate in Board committees as needed. (WIOA secs. 101(b)(iii) and 107(b)(2)(C) and (D))

§ 678.500 What is the Memorandum of Understanding for the one-stop delivery system and what must be included in the Memorandum of Understanding?

(a) The MOU is the product of local discussion and negotiation, and is an agreement developed and executed between the Local Board, with the agreement of the chief elected official and the one-stop partners, relating to the operation of the one-stop delivery system in the local area. Two or more local areas in a region may develop a single joint MOU, if they are in a region that has submitted a regional plan under sec. 106 of WIOA.

(b) The MOU must include:

(1) A description of services to be provided through the one-stop delivery system, including the manner in which the services will be coordinated and delivered through the system;

(2) A final plan, or an interim plan if needed, on how the costs of the services and the operating costs of the system will be funded, including:

(i) Funding of infrastructure costs of one-stop centers in accordance with §§ 678.700 through 678.755; and

(ii) Funding of the shared services and operating costs of the one-stop delivery system described in § 678.760;

(3) Methods for referring individuals between the one-stop operators and partners for appropriate services and activities;

(4) Methods to ensure that the needs of workers, youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in providing access to services, including access to technology and materials that are available through the one-stop delivery system;

(5) The duration of the MOU and procedures for amending it; and

(6) Assurances that each MOU will be reviewed, and if substantial changes have occurred, renewed, not less than once every 3-year period to ensure appropriate funding and delivery of services.

(c) The MOU may contain any other provisions agreed to by the parties that are consistent with WIOA title I, the authorizing statutes and regulations of one-stop partner programs, and the WIOA regulations. (WIOA sec. 121(c).)

(d) When fully executed, the MOU must contain the signatures of the Local Board, one-stop partners, the chief elected official(s), and the time period in which the agreement is effective. The MOU must be updated not less than every 3 years to reflect any changes in the signatory official of the Board, one-stop partners, and chief elected officials, or one-stop infrastructure funding.

(e) If a one-stop partner appeal to the State regarding infrastructure costs, using the process described in § 678.750, results in a change to the one-stop partner's infrastructure cost contributions, the MOU must be updated to reflect the final one-stop partner infrastructure cost contributions.

<u>§ 678.700 What are one-stop infrastructure costs</u>?

(a) Infrastructure costs of one-stop centers are nonpersonnel costs that are necessary for the general operation of the one-stop center, including:

(1) Rental of the facilities;

(2) Utilities and maintenance;

(3) Equipment (including assessment-related products and assistive technology for individuals with disabilities); and

(4) Technology to facilitate access to the one-stop center, including technology used for the center's planning and outreach activities.

(b) Local Boards may consider common identifier costs as costs of one-stop infrastructure.

(c) Each entity that carries out a program or activities in a local one-stop center, described in §§ 678.400 through 678.410, must use a portion of the funds available for the program and activities to maintain the one-stop delivery system, including payment of the infrastructure costs of one-stop centers. These payments must be in accordance with this subpart; Federal cost principles, which require that all costs must be allowable, reasonable, necessary, and allocable to the program; and all other applicable legal requirements.

§ 678.705 What guidance must the Governor issue regarding one-stop infrastructure funding?

(a) The Governor, after consultation with chief elected officials, the State Board, and Local Boards, and consistent with guidance and policies provided by the State Board, must develop and issue guidance for use by local areas, specifically:

(1) Guidelines for State-administered one-stop partner programs for determining such programs' contributions to a one-stop delivery system, based on such programs' proportionate use of such system consistent with Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR part 200, including determining funding for the costs of infrastructure; and

(2) Guidance to assist Local Boards, 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 based on proportionate benefits received, and consistent with Federal cost principles.

(b) The guidance must include:

(1) The appropriate roles of the one-stop partner programs in identifying one-stop infrastructure costs;

(2) Approaches to facilitate equitable and efficient cost allocation that results in a reasonable cost allocation methodology where infrastructure costs are charged to each partner in proportion to relative benefits received, consistent with Federal cost principles; and

(3) The timelines regarding notification to the Governor for not reaching local agreement and triggering the State-funded infrastructure mechanism described in § 678.730, and timelines for a one-stop partner to submit an appeal in the State-funded infrastructure mechanism.

§ 678.710 How are infrastructure costs funded?

Infrastructure costs are funded either through the local funding mechanism described in § 678.715 or through the State funding mechanism described in § 678.730.

§ 678.715 How are one-stop infrastructure costs funded in the local funding mechanism?

(a) In the local funding mechanism, the Local Board, chief elected officials, and one-stop partners agree to amounts and methods of calculating amounts each partner will contribute for one-stop infrastructure funding, include the infrastructure funding terms in the MOU, and sign the MOU. The local one-stop funding mechanism must meet all of the following requirements:

(1) The infrastructure costs are funded through cash and fairly evaluated in-kind partner contributions and include any funding from philanthropic organizations 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;

(2) Contributions must be negotiated between one-stop partners, chief elected officials, and the Local Board and the amount to be contributed must be included in the MOU;

(3) The one-stop partner program's proportionate share of funding must be calculated in accordance with the Uniform Administrative Requirements, Cost

Principles, and Audit Requirements for Federal Awards in 2 CFR part 200 based upon a reasonable cost allocation methodology whereby infrastructure costs are charged to each partner in proportion to relative benefits received, and must be allowable, reasonable, necessary, and allocable;

(4) Partner shares must be periodically reviewed and reconciled against actual costs incurred, and adjusted to ensure that actual costs charged to any one-stop partners are proportionate and equitable to the benefit received by the one-stop partners and their respective programs or activities.

(b) In developing the section of the MOU on one-stop infrastructure funding fully described in § 678.755, the Local Board and chief elected officials will:

(1) Ensure that the one-stop partners adhere to the guidance identified in § 678.705 on one-stop delivery system infrastructure costs.

(2) Work with one-stop partners to achieve consensus and informally mediate any possible conflicts or disagreements among one-stop partners.

(3) 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.

(c) The MOU may include an interim infrastructure funding agreement, including as much detail as the Local Board has negotiated with one-stop partners, if all other parts of the MOU have been negotiated, in order to allow the partner programs to operate in the one-stop centers. The interim infrastructure agreement must be finalized within 6 months of when the MOU is signed. If the infrastructure interim infrastructure agreement is not finalized within that timeframe, the Local Board must notify the Governor, as described in § 678.725.

§ 678.720 What funds are used to pay for infrastructure costs in the local one-stop infrastructure funding mechanism?

(a) In the local one-stop infrastructure funding mechanism, one-stop partner programs can determine what funds they will use to fund infrastructure costs. The use of these funds must be in accordance with the requirements in this subpart, and with the relevant partner's authorizing statutes and regulations, including, for example, prohibitions against supplanting non-Federal resources, statutory limitations on administrative costs, and all other applicable legal requirements. In the case of partners administering adult education and literacy programs authorized by title II of WIOA or the Carl D. Perkins Career and Technical Education Act of 2006, these funds may include Federal funds that are available for State administration of adult education and literacy programs authorized by title II of WIOA or for State administration of post-secondary level programs and activities under the Perkins Act, and non-Federal funds that the partners contribute to meet these programs' matching or maintenance of effort requirements. These funds also may include local administrative funds available to local entities or consortia of local entities that have been delegated authority to serve as one-stop local partners by a State eligible agency as permitted by § 678.415(b) and (e).

(b) There are no specific caps on the amount or percent of overall funding a one-stop partner may contribute to fund infrastructure costs under the local one-stop funding mechanism, except that contributions for administrative costs may not exceed the amount available for administrative costs under the authorizing statute of the partner program. However, amounts contributed for infrastructure costs must be allowable and based on proportionate use by or benefit to the partner program, taking into account the total cost of the one-stop infrastructure as well as alternate financing options, and must be consistent with 2 CFR chapter II, including the Federal cost principles.