

**To:** Indiana’s Workforce System

**From:** Indiana Department of Workforce Development (DWD)

**Date:** June 13, 2024

**Subject:** Policy 2018-04, Change 2  
Memoranda of Understanding and Infrastructure/Additional Costs Funding  
Guidance

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## Purpose

To provide guidance to Indiana’s Workforce Development Boards (WDBs), Chief Elected Officials (CEOs), and all one-stop partners regarding the establishment of a local Memorandum of Understanding (MOU) and infrastructure/additional costs funding agreements. The MOU is between local WDBs and all Workforce Innovation and Opportunity Act (WIOA) required one-stop partners to jointly support the costs associated with local one-stop centers<sup>1</sup> and one-stop delivery systems.

## Change Summary

This policy includes the following changes and clarifications:

- It is the responsibility of the local area to ensure to the best of their ability that the proposed budget includes all expenditures for the year.
- To change an MOU and/or the operating budget and funding agreements, an amendment must be agreed upon by all partners. This includes if there is a proposed expenditure that was not initially included in the annual budget or funding agreement.
- If a local WDB uses full-time equivalents (FTEs) or square footage as their methodology, all partners must report any fluctuations in the number of FTEs or the total square footage (any reconfiguration of space) to all partners at their six-month reconciliation. At this time, partners may renegotiate due to the reported changes. During these negotiations, partners should prioritize aligning their budgets and planning adequately for the next budget cycle.
- The “Time Extension and Impasse” and “Review and Reconciliation” sections of the policy include new preventative measures regarding late budgets and reconciliations.
- A sub-section on invoicing procedures has been added.
- The second reconciliation must cover the full IFA budget year.
- **Attachment F** has been reformatted to meet accessibility standards.

## Rescission

DWD Policy 2018-04 *Memoranda of Understanding and Infrastructure/Additional Costs Funding Guidance*

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<sup>1</sup> Local one-stop centers include comprehensive, affiliate, and specialized centers in a workforce development area.

## References

- WIOA Titles I, II, III, and sections 102,121, 134, and 166
- 29 USC 49 et seq., 29 USC 720 et seq., 29 USC 732, 29 USC 741
- 42 USC 601 et seq., 42 USC 3056 et seq., 42 USC 9901 et seq., 42 USC 17532
- 19 USC 2271 et seq.
- 38 USC Chapter 41
- 20 CFR 678.315, 678.400-410, 678.430, 678.500, and 678.700-760
- 20 CFR 680.200
- 20 USC 2301 et seq.
- 29 CFR 38.25
- 34 CFR 361.500
- 34 CFR 463.500
- 2 CFR Parts 200 and 2900
- TEGL 16-16 *One-Stop Operations Guidance for the American Job Center Network*
- TEGL 17-16 *Infrastructure Funding of the One-Stop Delivery System*
- DWD Policy 2017-04 *State Funding Mechanism*
- DWD Policy 2016-09 *Equal Opportunity and Nondiscrimination Guidance Letter*

## Definitions

**Comprehensive One-Stop Center** - A comprehensive one-stop center is a physical location where job seekers and employers can access the programs, services, and activities of all required one-stop partners. A comprehensive one-stop center must have at least one Title I staff person physically present. The comprehensive one-stop center must provide:

- Career services, described in WIOA sec. 134(c)(2);
- Access to training services described in 20 CFR 680.200;
- Access to any employment and training activities carried out under WIOA sec. 134(d);
- Access to programs and activities carried out by one-stop partners listed in 20 CFR 678.400 through 678.410, including the Employment Service program authorized under the Wagner-Peyser Act (WP), as amended by WIOA Title III (WP Employment Service program); and
- Workforce and labor market information.

Customers must have access to the above programs, services, and activities during regular business days at a comprehensive one-stop center.

**Affiliate One-Stop Center** - An affiliated site, or affiliate one-stop center, makes available to job seekers and employers one or more of the one-stop partners' programs, services, and activities. They are access points in addition to the comprehensive one-stop center(s) in each local area.

- Affiliate sites do not need to provide access to every required one-stop partner program.
- The frequency of program staff's physical presence will be determined at the local level.
- If used by local areas as a part of the service delivery strategy, affiliate sites must be implemented in a manner that supplements and enhances customer access to services.

- Wagner-Peyser Act employment services cannot be a stand-alone affiliated site.<sup>2</sup>

**Specialized One-Stop Center** - Specialized centers address specific needs, including those of dislocated workers, youth, or key industry sectors or clusters.

**Access** - “Access” to each partner program and its services means:

- Having a program staff member physically present at the one-stop center;
- Having a staff member from a different partner program physically present at the one-stop center that is appropriately trained to provide information to customers about the programs, services, and activities available through partner programs; or
- Making available a direct linkage through technology to program staff who can provide meaningful information or services.
  - A “direct linkage” means providing direct connection at the one-stop center, within a reasonable time, by phone or through a real-time Web-based communication to a program staff member who can provide program information or services to the customer.
  - A “direct linkage” cannot exclusively be providing a phone number or computer Web site or providing information, pamphlets, or materials.

### **One-Stop System**

The one-stop delivery system brings together workforce development, educational, and other human resource services in a seamless customer-focused service delivery network that enhances access to the programs’ services and improves long-term employment outcomes for individuals receiving assistance. One-stop partners administer separately funded programs as a set of integrated streamlined services to customers.

### **State Funding Mechanism<sup>3</sup>**

The formula the state will develop and apply to determine the infrastructure costs of all WIOA required one-stop partners in a local area when one or more partners fail to reach consensus locally.

## **Content**

WIOA requires each Local WDB to develop and finalize an MOU amongst itself and its WIOA-required partners with the agreement of the CEO for the Local Workforce Development Area (LWDA). The MOU coordinates operation of the local one-stop delivery system, provision of programs and services, and apportionment of costs. The MOU must include two types of funding agreements pertaining to the costs of the local one-stop centers and delivery system in each LWDA: Infrastructure Funding Agreement(s) (IFA) and Additional Cost Funding Agreement(s), including Career Services.

### ***Memorandum of Understanding***

The MOU is an agreement amongst the local WDB and all required partners and is a product of good-faith local discussion and negotiation. Pursuant to WIOA, the MOU may take the form of a single umbrella document among all the partners, individual agreements, or a hybrid between the board and

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<sup>2</sup> As described in 20 CFR 678.315.

<sup>3</sup> See DWD’s *State Funding Mechanism* (SFM) policy for additional SFM details and the local area appeals process.

two or more partners. The US Department of Labor (DOL) encourages States and local areas to use umbrella MOUs to facilitate transparent, flexible agreements that are not burdensome so that partners may focus on service delivery.

### ***WIOA Required One-Stop Partners***

Required one-stop partners include:

- Programs authorized under the Wagner-Peyser Act (29 USC 49 et seq.), including the Monitor Advocate System;
- Activities authorized under Chapter 2 of Title II of the Trade Act of 1974 (19 USC 2271 et seq.);
- Jobs for Veterans State Grants programs authorized under Chapter 41 of Title 38 of the USC;
- Programs authorized under State Unemployment Compensation (or Unemployment Insurance) laws (in accordance with applicable federal law);
- Vocational Rehabilitation programs authorized under Title I of the Rehabilitation Act of 1973 (29 USC 720 et seq.), other than Section 112 or Part C of Title I of such Act (29 USC 732, 741);
- Temporary Assistance for Needy Families (TANF) activities authorized under Part A of Title IV of the Social Security Act (42 USC 601 et seq.), subject to subparagraph (C);
- Programs authorized under Title I of WIOA, including:
  - Adults
  - Dislocated workers
  - Youth
  - Job Corps
  - YouthBuild
  - Native American programs<sup>4</sup>
  - National Farmworker Jobs Program
- Adult Education and Literacy activities authorized under Title II of WIOA;
- The Senior Community Service Employment Program (SCSEP) authorized under Title V of the Older Americans Act (42 USC 3056 et seq.);
- Postsecondary career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 USC 2301 et seq.);
- Employment and training activities carried out under the Community Services Block Grant Act (42 USC 9901 et seq.);
- Employment and training activities carried out by the Department of Housing and Urban Development; and
- Programs authorized under Section 212 of the Second Chance Act of 2007 (42 USC 17532).

Additional programs and entities that carry out activities as part of the one-stop delivery system may be included as one-stop partners with the approval of the WDB and CEO. All partners, including additional partners, must be identified in the MOU and funding agreements. All one-stop partners shall negotiate

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<sup>4</sup> Native American programs (described in WIOA sec. 166), as required one-stop partners, are strongly encouraged to contribute to infrastructure costs, but they are not required to make such contributions under WIOA. Any agreement regarding the contribution or non-contribution to infrastructure costs by Native American programs must be documented in the MOU. The Native American programs cannot trigger the State funding mechanism, nor are they subject to the State funding mechanism.

funding agreements with WDBs through their respective governing entities as specified by federal and/or state law.

State partner responsibilities are outlined below:

The *Indiana Department of Workforce Development (DWD)* is responsible for negotiating funding agreements with local WDBs pertaining to:

- Trade Adjustment Assistance Act authorized under the Trade Act
- Wagner-Peyser Act employment services
- Veterans' programs
- Unemployment Insurance

The *Indiana Department of Family and Social Services (FSSA)* is responsible for negotiating funding agreements with WDBs pertaining to:

- Temporary Assistance for Needy Families (TANF) - Division of Family Resources
- Vocational Rehabilitation (VR) services – Division of Disability and Rehabilitative Services

The *Indiana Housing and Community Development Authority* is responsible for negotiating funding agreements with WDBs pertaining to employment and training activities carried out under the Community Services Block Grant Act.

### ***Roles and Responsibilities***

**Local Workforce Development Boards.** Local WDBs<sup>5</sup> shall be responsible for the following:

- Consulting with DWD, as needed, in the development of this guidance;
- Acting as the convener for the purpose of negotiating the MOU and funding agreements;
- Ensuring the one-stop partners adhere to all applicable guidance;
- Working with the one-stop partners to achieve consensus and informally mediate any possible conflicts or disagreements;
- Providing technical assistance to new one-stop partners and local grant recipients to ensure they are informed and knowledgeable about the elements contained in the MOU and funding agreements;
- Developing a local one-stop center operating budget as a starting point for the negotiations, ensuring that the proposed budget includes all expenditures for the year;
- Ensuring the negotiations include an agreed-upon budget and methodology for allocating infrastructure and additional costs amongst all partners;
- Ensuring allocation methodology complies with the Uniform Guidance and is based on proportionate use and benefit received by each partner program;
- Ensuring that all of the infrastructure and additional costs are paid according to the provisions of the MOU; and
- Informing DWD if there is an impasse.

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<sup>5</sup> The local WDB may designate an individual to carry out the WDB's roles and responsibilities outlined herein. The designee must consult with the local WDB on a regular basis throughout the negotiation process.

**One-Stop Partners.** Each one-stop partner in the local workforce area shall be responsible for the following:

- Designating an individual(s)<sup>6</sup> to act on its behalf in the negotiations, if applicable;
- Acting in good faith to negotiate infrastructure and additional costs<sup>7</sup> in accordance with this guidance;
- Working with the WDB to develop a process for receiving individuals referred to the partner agency for their services and to refer individuals to the local WorkOne offices for job seeking services; and
- Entering into the local MOU and attached funding agreements.

**Department of Workforce Development.** DWD shall be responsible for the following:

- Providing guidance and technical assistance to each WDB and partners throughout the MOU, infrastructure, and additional cost negotiation process; and
- Requesting monthly progress updates from the local WDBs.

**Governor/Governor's Workforce Cabinet (GWC).** The Governor/GWC shall be responsible for the following:

- Consulting with DWD, as needed, in the development of this guidance; and
- Developing the formula to be used by DWD under the State funding mechanism to determine a local one-stop center's operating budget (if not agreed upon locally or rejected) and determine each partner's contribution to infrastructure costs of the local one-stop centers.

### ***Required MOU Provisions***

DWD has designed and strongly recommends the use of a sample MOU template.<sup>8</sup> The MOU must at a minimum contain the following provisions:

- A description of the collective mission of the partners;
- 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 and which one-stop partner will provide the service. Each local area must provide, as part of its MOU, a Career Services Matrix;
- Agreement on funding the shared costs of the services and the operating costs of the system, including:
  - Funding of infrastructure costs of one-stop centers in accordance with 20 CFR 678.700 through 678.755; and
  - Funding of the shared services and operating costs of the one-stop delivery system described in 20 CFR 678.760.

<sup>6</sup> The individual(s) should be knowledgeable about the partner programs and activities and have the authority to commit the partner programmatically and financially.

<sup>7</sup> Additional partners are only required to contribute towards infrastructure costs. Additional partners MAY contribute towards additional costs but are not required to do so.

<sup>8</sup> See **Attachment A**.

- Methods for referring individuals between the one-stop operators and partners for appropriate services and activities;
- 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;
- Inclusion of equal opportunity assurance language as required in 29 CFR 38.25;<sup>9</sup>
- The duration of the MOU and procedures for amending it; and
- Assurances that each MOU will be reviewed (and amended if substantial changes have occurred) not less than once every 3-year period to ensure appropriate funding and delivery of services. The final, approved one-stop operating budget, which encompasses the infrastructure/additional costs funding agreements, will be incorporated annually into the MOU through amendment procedures specified in the MOU.<sup>10</sup>

The MOU may contain any other provisions agreed to by the parties that are consistent with WIOA Title I, the authorizing statutes, the regulations of one-stop partner programs, and the WIOA regulations. When fully executed, the MOU must contain the signatures of the Local WDB, one-stop partners, the CEO(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 WDB, one-stop partners, and CEOs, or one-stop infrastructure funding.

If a one-stop partner appeals to the State regarding infrastructure costs using the process described in 20 CFR 678.750, and this 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.<sup>11</sup>

### ***One-Stop Center Operating Budget<sup>12</sup>***

WIOA requires a local one-stop center operating budget (the Operating Budget). The Operating Budget is a financial plan within which one-stop partners, CEOs, and the local WDB in each LWDA will agree to each partner's contribution to certain costs. The one-stop partners, CEOs, and the local WDB shall use the Operating Budget to determine each partner's contribution to certain costs contained within the Operating Budget. The Operating Budget will serve as the "master budget" and will contain a set of individual budgets or components consisting of costs that are specifically identified in WIOA: infrastructure costs and additional costs. The Operating Budget may include separate budgets for each comprehensive, affiliate, or specialized center.

### ***Funding Agreements***

Negotiations of partner contributions towards infrastructure and additional costs of local one-stop centers shall convene once the Operating Budget has been established and agreed upon by the local WDB and all one-stop partners.

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<sup>9</sup> See **Attachment B** of DWD's *Equal Opportunity and Nondiscrimination Guidance Letter* and 29 CFR 38.25 for specific language requirements.

<sup>10</sup> See **Attachment E** for a Sample Amendment Sheet.

<sup>11</sup> DWD's *State Funding Mechanism* policy.

<sup>12</sup> See **Attachment B** for the Local One-Stop Operating Budget Template.

- **Relative Benefit Received by Required Partners.** Required partners, including those not co-located at the one-stop centers, receive benefits, at a minimum, through common identifiers and referrals. Therefore, required partners must contribute to allocated costs associated with those benefits received.
- **Infrastructure Funding Agreement.** WIOA requires the agreed-upon contributions towards infrastructure costs by each one-stop partner to be memorialized in an IFA between the local WDBs, all WIOA-required one-stop partners, and any additional partners. For the purpose of affiliate and specialized centers, only the local WDB and those partners participating in the operation of that center are required to enter into the IFA for that particular center.
- **Additional Cost Funding Agreement.** The agreed upon contributions by each partner towards additional costs shall be memorialized in an Additional Cost Agreement and attached to the MOU.<sup>13</sup>

All funding agreements shall be products of good faith local discussion and negotiation amongst the partners. Each required one-stop partner must contribute to the infrastructure and additional costs of local one-stop centers and the one-stop delivery system based on the program's proportionate use and benefit received, consistent with the Uniform Guidance. Local WDBs and one-stop partners may define their own methodology to determine contribution amounts, so long as it is based on the partner's proportionate use and benefit received and is consistent with the Uniform Guidance and WIOA regulations.

### ***Infrastructure Costs***

Each partner that carries out a program or an activity as part of the one-stop delivery system must use a portion of the funds available for the program or activity to contribute to the infrastructure costs of local one-stop centers based on their proportional use relative to the benefit received by the partner through their participation in the local one-stop center. Each partner's contribution must adhere to that partner program's federal authorizing statute and to the Federal Cost Principles requiring that costs be reasonable, necessary, and allocable.<sup>14</sup> WIOA specifies infrastructure costs of local one-stop centers as non-personnel costs that are necessary for the general operation of the local one-stop center. Each local area must complete an Operating Budget Template. DWD strongly encourages the use of the template provided in Attachment B. Local one-stop center infrastructure costs include, but are not limited to:

- Facility rental
- Utilities
- Facility maintenance
- Property insurance
- Security services
- Equipment and technology
- Common identifier costs

Required partners who are located offsite may use a different allocation base to determine their contribution. Offsite partners will need to determine "relative benefit" when allocating infrastructure costs. It could be true that these offsite partners may not contribute to every infrastructure line item if there is no relative benefit received.

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<sup>13</sup> See **Attachments A** and **B** for further detail.

<sup>14</sup> See 2 CFR 200.403-405.



For example, an offsite partner may not receive a benefit from the water bill; whereas there would be a benefit for signage or common identifiers that reference that partner's programs and services. In this example, the offsite partner would not contribute to the utility line item but would help with costs for signage and common identifiers. The contribution would be negotiated during the MOU process and would be based upon an agreed relative benefit.

### ***Additional Costs***

Each partner that carries out a program or an activity as part of the one-stop delivery system should use a portion of the funds available for the program or activity to contribute to the additional (non-infrastructure) costs of the local one-stop centers based on their proportional use relative to the benefit received by the partner through their participation in the one-stop delivery system. Additional costs must include applicable career services (identified in the WIOA regulations at 20 CFR 678.430) and may include shared operating costs and shared services that are necessary for the general operation of the local one-stop center. Each partner's contribution must adhere to that partner program's Federal authorizing statute and to the Federal Cost Principles requiring that costs be reasonable, necessary, and allocable.

Career service costs should be allocated only to those partners responsible for providing the service. These amounts must be reflected within the MOU and Operating Budget to show each partner's contribution. Required partners must contribute to additional costs. Additional partners are encouraged, but are not required, to contribute to additional costs. Shared service costs may include:

- Initial intake;
- Assessment of needs;
- Appraisal of basic skills;
- Identification of appropriate services to meet such needs;
- Referrals to other one-stop partners;
- Integration and streamlining of services, including business services, customer satisfaction measurements, and Resource Room materials and staff; and
- WDB staff functions not otherwise paid using WIOA Title I funds that support the general operations of the local one-stop centers.

### ***Types of Funds a One-Stop Partner May Use to Make Infrastructure and Additional Cost Contributions***

Infrastructure and additional costs can be funded through cash, non-cash, and third-party in-kind contributions and can include any funding from philanthropic organizations, other private entities, or other alternative financing options.<sup>15</sup> Funding must be stable and equitable. The one-stop partner's proportionate share must be calculated in accordance with the Uniform Guidance based upon a reasonable cost allocation methodology whereby infrastructure and additional costs are charged in proportion to use of the local one-stop center/system relative to the benefit received.<sup>16</sup> Costs must also be allowable, reasonable, necessary, and allocable.<sup>17</sup>

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<sup>15</sup> See TEGL 17-16 for further detail and examples.

<sup>16</sup> See TEGL 17-16 for discussion on proportionate use, relative benefit, and allocation of costs.

<sup>17</sup> See 20 CFR 678.720, 760; see also 2 CFR 200.4, 403 - 405.

### ***Examples of Reasonable Infrastructure and Additional Cost Allocation Methodologies***

Examples of reasonable cost allocation methodologies for infrastructure costs may include using a partner's square footage footprint within a local one-stop center, number of FTEs available to a local one-stop center, number of clients served by the partner within the one-stop delivery system, and/or a combination of each of these. Alternatively, a minimum square footage or FTE for non-co-located partners could be used if this methodology appropriately represents the relative benefit received.

If a local WDB uses FTEs or square footage as their methodology, all partners must report any fluctuations in the number of FTEs or the total square footage (any reconfiguration of space) to all partners at their six-month reconciliation. At this time, partners may renegotiate due to the reported changes. During these negotiations, partners should prioritize aligning their budgets and planning adequately for the next budget cycle.

### ***Time Extension and Impasse***

**Extension of Time.** If the local WDB and a one-stop partner(s) do not believe they will be able to reach an agreement on appropriate levels of infrastructure cost funding contributions on or before July 1 of each year, the WDB may request an extension of time, so long as the WDB can demonstrate they have made sufficient progress toward reaching an agreement.<sup>18</sup> The request must be submitted to DWD at [policy@dwd.in.gov](mailto:policy@dwd.in.gov) on or before June 1 of each year. Upon review of the extension request, DWD will allow a time extension of up to sixty (60) days for the WDB to continue negotiations and reach an agreement on infrastructure cost contributions. DWD will provide technical assistance as requested by the WDB.

If IFA budgets are submitted over 30 days past the due date with no extension filed or are submitted past the approved extension due date, then partners would only be paid from the time the IFA budget has been submitted and approved until the end of the budget year rather than receiving payments starting on July 1. For example, if DWD does not receive a budget until December 1 and the budget is not agreed upon until January 1, then the local WDB would only be paid for six months of the July 1-June 30 budget year. The IFA budget process is reviewed during routine DWD monitoring, and late IFA budgets will be considered compliance issues.

**Impasse.** If the WDB is unable to reach an agreement on the funding of infrastructure costs with all partners on or before July 1 of each year (or after the applicable extension of time deadline, if granted), the WDB or affected partner must notify DWD that an agreement cannot be reached.<sup>19</sup> Once notified, the Governor must administer the State funding formula to determine the appropriate share of infrastructure contributions for all partners for the program year impacted.<sup>20</sup>

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

- The Governor's determination is inconsistent with the proportionate share.
- The Governor's determination is inconsistent with the cost contribution caps.<sup>21</sup>

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<sup>18</sup> See **Attachment C**.

<sup>19</sup> See **Attachment D**.

<sup>20</sup> DWD's *State Funding Mechanism* policy.

<sup>21</sup> Per WIOA Sec. 102(b)(2)(D)(i)(IV), 20 CFR 678.735(a), 20 CFR 678.735(b), and 20 CFR 678.738.

## *Invoicing, Review, and Reconciliation*<sup>22</sup>

**Invoicing.** All invoices must be submitted at the end of each month to ensure all expenses for that month have been expended. For example, an April invoice would not be invoiceable until May, as this is the time at which all expenses for the month of April would be accounted.

**Periodic Review.** Each Operating Budget and funding agreement shall be reviewed and reconciled against actual costs incurred to ensure that costs charged to any one-stop partner are proportionate to the use of the local one-stop center and one-stop delivery system and relative to the benefit received by the one-stop partner. The review schedule is as follows:

- The first reconciliation is due 60 days after the end of December in the year of the current IFA budget.
- The second reconciliation is due 60 days after the end of June, which is the end of the IFA Budget year. This reconciliation must cover the full IFA budget year.

If any significant changes<sup>23</sup> to the funding agreements are required following the bi-annual review, the WDB must reconvene all partners to reach an agreement on the necessary budget and/or allocation changes. If there is disagreement amongst partners to accommodate for these changes, the WDB or affected partner shall contact DWD at [policy@dwd.in.gov](mailto:policy@dwd.in.gov) for assistance. Any changes not deemed significant may be charged to each partner so long as there is an agreement amongst the partners to do so. Local areas must notify DWD, [policy@dwd.in.gov](mailto:policy@dwd.in.gov), upon completion of the reconciliation process.

If a second reconciliation is not completed in a timely manner, any difference in cost will not be reimbursable and should not be submitted in the reconciliation. The contracts will have ended, and funding set aside for that budget year by partners may have expired.

**Annual Re-Negotiation.** Each Operating Budget and funding agreement shall be fully reviewed and re-negotiated on an annual basis.

## *Amendments*

A sample Amendment Sheet<sup>24</sup> is provided for use each time the MOU and/or the Operating Budget and funding agreements are modified. Amendments must be signed by all partners. In order to add expenditures that were not previously included in the MOU and/or the Operating Budget and funding agreements, an amendment must be submitted to [policy@dwd.in.gov](mailto:policy@dwd.in.gov) and agreed upon by all partners.

## **Action**

The fully executed 2022 MOU must be submitted to DWD Policy, [policy@dwd.in.gov](mailto:policy@dwd.in.gov), no later than **July 1, 2022**, and by July 1 every three years (3) thereafter (unless an extension of time is requested and

<sup>22</sup> See **Attachment G** for the Required Reconciliation Template. Regions are strongly encouraged to use this template.

<sup>23</sup> Significant change is defined as a minimum of a twenty percent (20%) change to the dollar number of a single cost category or to a partner's cost-allocation percentage contained within the existing funding agreement. These significant changes may occur as a result of losing/gaining office space, adding an additional one-stop partner, etc.

<sup>24</sup> See **Attachment E**.

approved). MOU amendments must be submitted to DWD within 30 days of execution. Final Operating Budgets/Funding Agreements must be submitted to DWD on or before July 1 of each program year.<sup>25</sup>

Reconciliations must be submitted to DWD according to the schedule specified in this guidance.

The content of this policy will be subject to routine DWD monitoring.

## Attachments

**Attachment A** - Sample MOU Template (separate Word file)

**Attachment B** - Local One-Stop Operating Budget Template (separate Excel file)

**Attachment C** - Required Request for Extension of Time

**Attachment D** - Required Report of Outcomes from Local Infrastructure Funding Agreement Negotiations

**Attachment E** - Sample Amendment Template

**Attachment F** - Infrastructure Costs: Funding Sources

**Attachment G** - Required Reconciliation Template (separate Excel file)

## Effective Date

Immediately.

## Ending Date

Upon rescission.

## Additional Information

Questions regarding the content of this publication should be directed to [policy@dwd.in.gov](mailto:policy@dwd.in.gov).

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<sup>25</sup> For Program Years 2019 and 2020, the deadline for submission was extended to October 1<sup>st</sup>.

## **Attachment A**

### **Sample MOU Template**

See DWD's Active Policy page, <https://www.in.gov/dwd/compliance-policy/policy/active/>, to access the spreadsheet.

## **Attachment B**

### **Local One-Stop Operating Budget Template**

See DWD's Active Policy page, <https://www.in.gov/dwd/compliance-policy/policy/active/>, to access the spreadsheet. DWD strongly recommends local boards utilize this template when developing their MOU/IFA.

## Attachment C Required Request for Extension of Time

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

Local Workforce Development Board Contact Person: \_\_\_\_\_

Contact's Phone Number: \_\_\_\_\_

Contact's Email Address: \_\_\_\_\_

Notice is hereby provided that the local WDB and each one-stop partner(s) have made progress towards reaching agreement on funding infrastructure costs; however, agreement will not be reached on or before July 1, \_\_\_\_ and the local WDB is requesting an extension of time to continue negotiations and reach an agreement.

Please describe the local WDB's progress in reaching agreement on infrastructure costs thus far.

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Please explain why the local WDB does not believe it will be able to reach an agreement on or before July 1

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How much additional time is the local WDB requesting to reach an agreement? [Click here to enter text.](#)

Does the local WDB need technical assistance from DWD to reach an agreement? If so, please describe assistance needed.

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\_\_\_\_\_  
Chair, Local Workforce Development Board Signature

\_\_\_\_\_  
Printed Name

### Attachment D Required Report of Outcomes from Local Infrastructure Funding Agreement Negotiations

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

Local Workforce Development Board \_\_\_\_\_

Contact Person: \_\_\_\_\_

Contact's Phone Number: \_\_\_\_\_

Contact's Email Address: \_\_\_\_\_

Notice is hereby provided as required by 20 CFR 678.725 that, despite every effort, the required partner(s) in this local area did not reach consensus on a local Infrastructure Funding Agreement for the period beginning July 1, \_\_\_\_\_.

The inability to reach agreement was because one or more required partners do not agree with how local one-stop center infrastructure costs will be funded. Listed below are the program partner(s) that did not agree to the Infrastructure Funding Agreement.

Program Partner Name	Reasons for Failure to Agree
1.	
2.	
3.	
4.	

\_\_\_\_\_  
Chair, Local Workforce Development Board

\_\_\_\_\_  
Partner

\_\_\_\_\_  
Partner

\_\_\_\_\_  
Partner

\_\_\_\_\_  
Partner

\_\_\_\_\_  
Printed Name

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**Attachment E**  
**Sample Amendment Template**  
**MOU Amendments/Annual One-Stop Operating Budgets**  
**and Funding Agreements**

**MEMORANDUM OF UNDERSTANDING BETWEEN**  
**[Name of WDB] AND**  
**WIOA Local Required Partners**

**Amendment # \_\_\_\_\_**

Pursuant to the Workforce Innovation and Opportunity Act (WIOA) of 2014, the signatories are the Parties to the Memorandum of Understanding (MOU) for integrated delivery of federally funded workforce services in Indiana Local Workforce Development Area (LWDA) # \_\_\_\_\_, effective \_\_\_\_\_, 20XX. In accordance with Section \_\_\_\_\_ of the MOU, the Parties hereby mutually agree to this Amendment # \_\_\_\_\_, which is set out in its entirety as follows:

1. **SAMPLE:** Section(s) # \_\_\_\_\_ of the MOU are hereby revised and replaced with amended Section(s) # \_\_\_\_\_ as provided in Attachment \_\_\_\_\_ of this Amendment # \_\_\_\_\_.
2. **SAMPLE:** The PY\_\_ Operating Budget/Funding Agreements are hereby replaced with PY Operating Budget/Funding Agreements as provided in Attachment \_\_\_\_\_ of this Amendment # \_\_\_\_\_.
3. All terms and conditions of the MOU other than those expressly modified by this Amendment # \_\_\_\_\_ shall remain in full force and effect as written. In the event of conflict, this Amendment # \_\_\_\_\_ shall prevail.

The Parties have executed this Amendment # \_\_\_\_\_ on the date of last signature.

**[INSERT REQUIRED SIGNATURES, PRINTED NAME, DATE, ETC. FOR ALL PARTIES]**

## Attachment F

### Infrastructure Costs: Funding Sources<sup>26</sup>

Dept.	Partner Program	Required/ Additional Partner	Admin. Funds to Pay for Infrastructure Costs <sup>27</sup>	Program Funds to Pay for Infrastructure Costs	State Funding Mechanism Applicable <sup>28</sup>
DOL	WIOA Title I Programs (Adult, Dislocated Worker, & Youth)	Required	Yes	Yes	Yes
DOL	JobCorps	Required	No	Yes	Yes
DOL	YouthBuild	Required	Yes	Yes	Yes
DOL	NFJP	Required	Yes	Yes	Yes
DOL	Native American Programs <sup>29</sup>	Required	Yes	Yes	No
DOL	Wagner-Peyser Act ES	Required	N/A <sup>30</sup>	Yes	Yes
DOL	SCSEP	Required	Yes	Yes	Yes
DOL	TAA program	Required	Yes	Yes	Yes
DOL	UC programs	Required	N/A	Yes	Yes
DOL	JVSG programs	Required	N/A	Yes	Yes
DOL	REO programs authorized under sec. 212 of the Second Chance Act of 2007 (42 U.S.C. 17532) and WIOA sec. 169	Required	Yes	Yes	Yes
ED	AEFLA program, authorized under WIOA title II	Required	Yes	No	Yes
ED	The State VR program authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C.720 et seq.), as amended by WIOA title IV	Required	N/A	Yes	Yes
ED	Career and technical education programs at the postsecondary level, authorized under the Carl D. Perkins Career and Technical Education Act of 2006	Required	Yes	No	Yes

<sup>26</sup> TEGL 17-16, *Infrastructure Funding of the One-Stop Delivery System*, Attachment III, January 18, 2017.

<sup>27</sup> Partners' funding contributions for infrastructure costs are subject to the partner programs' administrative cost limitations and restrictions. The definition of administrative costs may also differ from one partner program to the next.

<sup>28</sup> Statutory caps for infrastructure funds are applicable only if the State Funding Mechanism is being implemented.

<sup>29</sup> Native American programs, as required One-stop partners, are strongly encouraged to contribute to infrastructure costs, but they are not required to make such contributions under WIOA.

<sup>30</sup> Programs marked "N/A" do not distinguish between program or administrative funds since there is only one allotment from which all expenditures - administrative costs and program costs - must be paid. Although the VR program imposes no limits on the amount of funds that may be spent on administrative costs, VR agencies must report funds spent for infrastructure costs as administrative costs.

Dept.	Partner Program	Required/ Additional/ Partner	Admin. Funds to Pay for Infrastructure Costs <sup>31</sup>	Program Funds to Pay for Infrastructure Costs	State Funding Mechanism Applicable <sup>32</sup>
HUD	Employment and training activities carried out by HUD	Required	Consult partners' authorizing documents.	Consult partners' authorizing documents.	Yes
HHS	Employment and training activities carried out under the CSBG programs	Required	Consult partners' authorizing documents.	Consult partners' authorizing documents.	Yes
HHS	TANF	Either <sup>33</sup>	Yes	No	Yes/No <sup>34</sup>
Other	Partners as outlined by WIOA sec. 121(b)(2)(B) and 20 CFR 678.410 <sup>35</sup>	Additional	Consult partners' authorizing documents.	Consult partners' authorizing documents.	No

<sup>31</sup> Partners' funding contributions for infrastructure costs are subject to the partner programs' administrative cost limitations and restrictions. The definition of administrative costs may also differ from one partner program to the next.

<sup>32</sup> Statutory caps for infrastructure funds are applicable only if the State Funding Mechanism is being implemented.

<sup>33</sup> At the discretion of the Governor, in accordance with WIOA sec. 121(b)(1)(C) and 20 CFR 678.405.

<sup>34</sup> The Governor may determine that TANF will not be a required partner.

<sup>35</sup> Additional partners are required to share in infrastructure costs when participating in the one-stop service delivery system; however, the State funding mechanism is not applicable to additional partners.

## **Attachment G Required Reconciliation Template**

See DWD's Active Policy page, <https://www.in.gov/dwd/compliance-policy/policy/active/>, to access the spreadsheet.