

***The CalWORKs WIOA Partner...***

**Negotiating Cost-Sharing in the  
Phase II Memorandum of Understanding**

***Co-Sponsored by the...***

*California Workforce Development Board*

*California Department of Social Services*

*County Welfare Directors Association of California*

*California Workforce Association*

## ***The CalWORKs Partner...***

### **Negotiating Cost-Sharing in the Phase II MOU**

#### ***This Morning...***

- ✓ Review **WIOA partnership requirements** and discuss what it means for sharing customers, services, and costs
- ✓ Overview **Phase II MOU requirements**, content, timeline
- ✓ Focus on the required **sharing of infrastructure costs**, the consolidated budget for **applicable career services**, and the optional sharing of **other system costs**
- ✓ Respond to **questions on cost-sharing requirements**

## ***Building the AJCC System Partnership to Share System Customers, Services and Costs***

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

- ✓ WIOA T-I Adult, DW, Youth
- ✓ Wagner-Peyser
- ✓ Adult Education and Literacy
- ✓ Vocational Rehabilitation
- ✓ Career, Technical Education
- ✓ Title V Older Americans Act
- ✓ Job Corps
- ✓ Native American Programs

- ✓ Migrant Seasonal Farmworkers
- ✓ Veterans
- ✓ YouthBuild
- ✓ Trade Act
- ✓ Community Action (E/T Progs)
- ✓ Housing Authority (E/T Progs)
- ✓ Unemployment Compensation
- ✓ Second Chance

- ✓ **California: TANF/CalWORKs**

***“WIOA Joint Final Rule §678.415: What entity serves as the one-stop partner for a particular program in the local area?”***

*The entity that carries out the program and activities...is the **grant recipient, administrative entity, or organization responsible for administering the funds** of the specified program in the local area.*

*The term “entity” **does not include service providers that contract with, or are subrecipients of, the local administrative entity.** “*

**Question:**

**Who Specifically Is the TANF Partner in California?**

The TANF program (CalWORKs in California) is the required partner and **the County Welfare Department (CWD) is the local entity that carries out the CalWORKs program, so the CWD negotiates and signs the MOU, not subrecipients or contracted providers.**

## **Required Roles and Responsibilities of the One-Stop Partners**

- ✓ Provide **access through the one-stop delivery system** to such program or activities carried out by the entity, including making the **career services...that are applicable** to the program or activities available **at the one-stop centers**
- ✓ 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**
- ✓ Enter into a **local memorandum of understanding** with the local board, relating to the operation of the one-stop system
- ✓ **Participate in the operation of the one-stop system** consistent with the terms of the **memorandum of understanding**, the requirements of this title, and the requirements of the Federal laws authorizing the program or activities

## **Memorandum of Understanding Content Requirements**

- ✓ **Services to be provided through the one-stop delivery system...including the manner in which the services will be coordinated and delivered through such system**
- ✓ **How the costs of such services and the operating costs of such system will be funded, including—**
  - Funding through **cash and in-kind contributions** (fairly evaluated), which contributions may include 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**
  - Funding of the **infrastructure costs of one-stop centers**

- ✓ **Methods of referral** of individuals between the one-stop operator and the one-stop partners for appropriate services and activities
- ✓ 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 delivery system; and
- ✓ Duration of the memorandum of understanding and the procedures for amending the memorandum during the duration of the memorandum, and assurances that such memorandum shall be reviewed not less than once every 3-year period to ensure appropriate funding and delivery of services

***The MOU: Sharing Services and Customers to Share Costs***

## ***WSD15-12: WIOA Memorandums of Understanding***

### **Development of a Memorandum of Understanding**

“Each MOU should act as a **functional tool as well as visionary plan** for how the Local Board and AJCC partners will work together to create a unified service delivery system that best meets the needs of their shared customers.”

#### **Three Major MOU Components:**

1. Shared Customers
2. Shared Services
3. Shared Costs



## ***WSD15-12: WIOA Memorandums of Understanding***

### **Phase I MOU: Service Coordination**

For Phase I, Local Boards are expected to work with all of the required and optional partners in their Local Area to develop an agreement regarding the operations of the local one stop system as it relates to shared services and customers.

***Phase I: Completed no later than June 30, 2016***



### **Phase II MOU: Shared Resources and Costs**

For Phase II, Local Boards should build upon agreements established in Phase I and determine how to best support their established service delivery model through the sharing of resources and costs.

***Completed no later than ~~June 30, 2017~~ September 1, 2017***

## ***The California MOU and Cost-Sharing Policy Chain...***

**WIOA Notice of Proposed Rule Making (8/24/15)**



**WSD15-12: WIOA Memorandums of Understanding (1/20/16)**

- *Phase I MOU: Service Coordination (Due Not Later than 6/30/16)*
- *Phase II MOU: Shared Resources and Costs (Was Due 6/30/17)*



**WIOA Joint Final Rule (8/19/16)**

*"One-Stop System"*



**WSD16-09: WIOA Phase II MOUs (10/14/16)**

*MOU Cost-Sharing Requirements*

**California Department of Social Services  
All County Information Notice 1-93-16 (12/27/16)**

*“WIOA Cost Sharing Guidance for CalWORKs”*

*Perfect Alignment with WSD16-09*



**Feds Issue TEGL 17-16:  
“Infrastructure Funding of One-Stop Delivery System” (1/18/17)**

*Change in Due Dates:*

- *Final MOU (Except Infrastructure Funding Agreement): 6/30/17*
  - *Final Infrastructure Funding Agreement: 1/1/18*  
*(But Time to Complete Any Triggering of State Funding Mechanism)*
  - *Requires Sharing of Infrastructure Costs in  
Affiliate Sites for Colocated Partners*

***California Workforce Areas That Have Completed the Phase I MOU Will Have Met the USDOL Required Date of 6/30/17 for the “Final MOU, Except the Infrastructure Funding Agreement”***



**Revision WSD16-09 Phase II MOU Requirements (January 2017)**

**Change in Due Dates:**

- *June 20, 2017: Submit Progress Report*
- *September 1, 2017: Due Date for Phase II MOU/IFA  
(Or Trigger State Funding Mechanism)*
- *January 1, 2018: All Phase II MOUs Go Into Effect*
- ***Removed “Intermittent” from Colocated Partner Definition***
- ***Future Guidance: Infrastructure Cost-Sharing in Affiliate Sites***

## Overview of the Cost Sharing Requirements

### *Subpart E of Joint WIOA Final Rule (678.700 - 678.760)*

- **All one-stop partners** are required to use a portion of their funds to **provide applicable career services, jointly fund the one-stop center infrastructure costs, and to share in other agreed-upon costs** relating to the operation of the one-stop delivery system (678.420)
- The sharing of **costs must be consistent with the Federal law authorizing the partner's program and with Federal cost principles** (including that costs be allowable, reasonable, necessary, and allocable)
- Each partner's obligations to pay must be **based on an acceptable and agreed-upon costing methodology**

- These costs are to be **negotiated and agreed by all local one-stop partners**
- **Two kinds of center and system operating costs:**
  - Required sharing of **AJCC infrastructure costs**
  - Reported **Career Services** costs and other **one-stop delivery system costs, if agreed** by the partners
- **AJCC infrastructure costs are nonpersonnel costs** necessary for the operation of the Center
- **Other costs, must include applicable career services and may include other shared system, center, service costs** negotiated by the local partners
- **Two Mechanisms for sharing infrastructure costs:**

- **A Local Mechanism (678.715)**
- **A State Mechanism (678.730)**, which is implemented only when necessary due to failure of local negotiations
- **If any Local Area is unable to reach agreement with all colocated partners** on the sharing of infrastructure costs, then the **state mechanism is triggered for that Local Area** and the state will then determine the one-stop partners' contributions

***All Local Areas must have a negotiated and signed a Phase II MOU by not later than September 1, 2017***

**California's Goal:**

***Provide support and guidance necessary to help all Local Areas reach agreement under local mechanism and prevent the triggering of the state mechanism***

## ***Beyond Compliance with the Law and Regulations...***

### **Why Are WIOA Partners Expected to Share in AJCC Costs?**

- “System” “Membership” “Dues”
- Skin in the Game, Co-Ownership, and Voice
  - Make the AJCC the Center *of the* System
  - No Partner Pay More Than Fair Share
- Lighten Burden of Some Partners Who Currently Pay More
- No New Money: Stretch System Resources Through Sharing



## **Three Kinds of Cost-Sharing**

### **Infrastructure Costs:**

Sharing Required (Locally Negotiated or Triggered State Mechanism)  
Comprehensive Center/s  
Colocated Partners

### **Other System Costs---Career Services:**

Required Reporting/Disclosing (and Locally Compiled)  
All System Partners: “Applicable Career Services  
“Consolidated” Budget

### **Other System Costs---Shared Services:**

Optional (Locally Agreed)  
System and/or Center Costs  
Multiple Opportunities (If Agreed)

## ***Partner Sharing of “Other One-Stop Delivery System Costs”...***

### **Final Rule §678.760: “How do one-stop partners jointly fund other shared costs under the Memorandum of Understanding?”**

- (a) ...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.
  
- (b) ...**shared services’ costs may include** the costs of shared services that...may be commonly provided through the one-stop partner programs to any individual, such as initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, referrals to other one-stop partners, and business services. Shared operating costs may also include shared costs of the Local WDB’s functions.

**Career Services Applicable to Each Partner:  
*Sample MOU Phase II Template: Pages 16 to 19***

**Developing a Consolidated “Applicable Career Services” Budget**

The other system costs budget **must include a consolidated budget for applicable career services.**

Budget must include each **partner’s costs for the service delivery of applicable career services and a consolidated system budget for career services applicable to more than one partner.**

*Unlike infrastructure cost sharing, other system costs, including “Applicable Career Services” are not limited to the non-personnel costs and should include **all costs related to the administration and delivery of those services.***

***Sample MOU Phase II Template: Pages 16-21***

## Partnering on WIOA Career Services

**§ 678.425: What are the applicable career services that must be provided through the one-stop delivery system by required partners?**

**“Applicable career services** to be delivered by required one-stop partners are services...**authorized** to be provided under each partner's program.”

- ✓ Eligibility for Title I services
- ✓ Outreach, intake, orientation
- ✓ Initial assessment
- ✓ Labor exchange services
- ✓ Referrals to programs
- ✓ Labor market information
- ✓ Performance, cost information
- ✓ Supportive services information
- ✓ UI Information and assistance
- ✓ Financial aid information

- ✓ Follow-up services
- ✓ Comprehensive assessment
- ✓ Individual employment plan
- ✓ Career planning, counseling
- ✓ Short-term prevocational services
- ✓ Internships, work experience
- ✓ Out-of-area job search
- ✓ Financial literacy services
- ✓ ELA and Integ Educ and Training
- ✓ Workforce preparation

## ***Department of Social Services – All County Letter 16-51...***

### **CalWORKs “Applicable Career Services”**

1. Provision of information relating to the availability of supportive services or assistance, and appropriate referrals to those services and assistance, including child care and Medicaid (orientation, appraisal, Family Stabilization).
2. Initial assessment of skill levels including literacy, numeracy, and English language proficiency, as well as aptitudes, abilities (including skills gaps), and supportive service needs (appraisal, assessment, learning disabilities screening).
3. Job search and placement assistance (job search, subsidized employment).
4. Diagnostic testing and use of other assessment tools (appraisal, assessment, learning disabilities screening).

5. In-depth interviewing and evaluation to identify employment barriers and appropriate employment goals (appraisal, assessment).
6. Development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to achieve his or her employment goals (WTW 2/WTW plan, supportive services).
7. Short-term pre-vocational services including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct services to prepare individuals for unsubsidized employment or training (job readiness).
8. Internships and work experiences that are linked to careers (subsidized employment, unpaid work experience, community service).
9. English language acquisition and integrated education and training programs (adult basic education, job skills training directly related to employment).

## ***Q and A: Consolidated Budget for Delivery of Career Services***

**Q: Are the applicable career services of non-located partners included in the “consolidated budget of career services”?**

A. Yes. All partners, whether located or not, are required to report their cost for the delivery of applicable career services.

**Q: If partners do not currently track or report their cost for providing applicable career services, how do they complete the Consolidated Budget for Career Services?**

A. If a partner does not have specific dollar amounts available, they may utilize a *reasonable* estimate. As long as all partners provide a reasonable dollar amount and can determine an estimated amount for the “consolidated budget for the delivery of applicable career services”, they will be deemed in compliance.

## **“Other System Costs---Shared Services” (Optional; If Agreed)**

*Examples of Other System Costs (But Not Limited To)...*

- ✓ Initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, and referrals to other one-stop partners
  - ✓ Business Services
  - ✓ Partner Staff Cross Training
  - ✓ One-Stop Operator
- ✓ Shared Personnel Costs for Center Colocated Partners

***All local partners must agree to the other system costs budget.  
No state funding mechanism will be triggered due to  
lack of agreement at the local level for other system costs.***



## **WSD16-09: Sharing Infrastructure Costs**

“Under WIOA, each **AJCC partner that carries out a program or activities within a comprehensive AJCC** must use a portion of the funds available for their program and activities to help maintain the One-Stop delivery system, including **proportional payment of the infrastructure costs** of the AJCCs (Final Rule Section 678.700).”

### **First: Is It a “Comprehensive AJCC”?**

“**Comprehensive AJCC:** An AJCC location where job seekers and employers can access the programs, services, and activities of all required AJCC partners with at least one Title I staff person physically present (WIOA Joint Final Rule Section 678.305).”

***The Local Workforce Development Board determines if the AJCC is “Comprehensive”.***

***Q: Which Partners Are “Within” the “Comprehensive AJCC”?***

***A: Those Partners that Are “Colocated” within the AJCC***

**WSD16-09: Change in Definition of Colocated Partners**

**“Colocated Partners:  
AJCC partners who have a physical presence  
within the center, either full time or part time.”**

**Change: Colocated Partners No Longer Includes “Intermittent”**

**“An intermittent partner is one  
who may have an **occasional physical presence** in the center, but  
**does not have a dedicated workspace**  
that is not also used by other center partners.”**

***Question: What If the AJCC is Located at a CWD?***

## **California Department of Social Services**

### **All County Information Notice 1-93-16 (12/27/16)**

**“Colocation means the CWD has at least one CalWORKs program staff member regularly providing eligibility and/or employment assistance at a comprehensive AJCC.**

**If the AJCC is located at the CWD, and the CalWORKs program does not have colocated staff in the AJCC, the CalWORKs program is not colocated for purposes of the infrastructure cost-sharing requirement.**

**As indicated on page nine of Workforce Services Directive 16-09, only partners who have staff physically present within the AJCC, (full-time, part-time, ~~or intermittently~~) are colocated and have an infrastructure cost sharing requirement at this time.”**

## ***Required Phase II MOU Content:***

### **Sharing Infrastructure Costs (IFA) by Colocated Partners**

- An IFA **budget** of the infrastructure costs for each\* Comprehensive AJCC\*, detailed description of what specific costs in each line item
- The **cost allocation methodology** chosen to charge each partner in proportion to its use of the one-stop center and the benefit received, in accordance with Uniform Guidance.
- The **initial proportionate share of infrastructure costs allocated to each partner** based on the agreed upon cost allocation methodology, each partner's estimated total contribution amount, and whether it will be provided through cash, noncash (in-kind), and/or third-party in-kind contributions.
- For any identified **noncash or in-kind contributions**, method by which the value of the contribution was or will be fairly evaluated

## **Sequence: Sharing Infrastructure Costs**

### **Decide:**

- Each AJCC or Network of AJCCs?**
- Who Are the Colocated Partners?**



**Develop Infrastructure Budget for Center/s**



**Determine Benefit Received by Partners from Center/s  
and Decide and Apply Cost Allocation Methodology**



**Identify Cash, Noncash, Third-Party In-Kind**



***Reconcile on a Regular Basis***

## ***Develop Infrastructure Budget for Center/s***

### **Final Rule § 678.700: What are the one-stop infrastructure costs?**

“Infrastructure costs of one-stop centers are nonpersonnel costs 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.

*...may consider common identifier costs...one-stop infrastructure.”*

***“Each entity that carries out a program or activities in a local one-stop center must use a portion of the funds available for the program ...payment of the infrastructure costs of one-stop centers.”***

## ***WSDD16-09: Infrastructure Budget and Line Items***

### **Rental of the Facilities**

### **Utilities/ Maintenance Costs**

- Electric, Gas, Water, Sewer
- High-speed Internet
- Telephones (landline)
- Facility maintenance contracts

### **Equipment Costs**

- Assessment-related products
- Assistive technology for individuals with disabilities\*
- Copiers, Fax, Computers
- Other tangible equipment used to serve all center customers

### **Technology to Facilitate Access to the AJCC Costs**

- Technology used for center's planning/outreach activities
- Cost of creation and maintenance of a center website (not specific to individual partner)

### **Common Identifier Costs (Local Option)**

- Creating new signage
- Updating templates/materials
- Updating electronic resources

***\* "Must Have Access and Accommodation Line Item"***

## Determine Benefit Received by Partners for Each Center/s and Decide and Apply Cost Allocation Methodology

*The Local Board and partners must **select a cost allocation methodology to identify the proportionate share of infrastructure costs each partner will be expected to contribute.***

### Any cost allocation methodology selected must:

- ✓ Be consistent with **partner federal laws**
- ✓ Comply with **federal cost principles** in the Uniform Guidance
- ✓ Include only costs that are **allowable, reasonable, necessary, and allocable** to each program partner
- ✓ Be based on the **proportionate use and relative benefit received by each partner**



## ***Examples of Cost Allocation Methodology: Colocated Partners***

**Examples** of cost allocation methods that may be utilized include, but are **not limited to, the following:**

- **Proportion of a partner program's occupancy percentage of the AJCC (square footage)**

*This might differentiate between dedicated space to partners and common space, where more than once cost center is established so the distribution reflects a fair and equitable distribution of cost*

- **Proportion of partner program's staff among all staff at AJCC**

- **Other: Methodology and Rationale**

*This could reflect the traffic patterns and usage of the Center by distinct and common customers and mathematically distribute cost in a fair and equitable means.*

**California Department of Social Services  
All County Information Notice 1-93-16 (12/27/16)**

***“Cost Allocation Methods...***

The WIOA regulations state in 20 CFR, section 678.420(b)(2)(i) that AJCC partners are required to establish cost sharing methodologies that are based upon **“a reasonable cost allocation methodology** by which infrastructure costs are charged to each partner **based on proportionate use and relative benefit received.”**

Within that framework is **significant flexibility and discretion** that the CWDs may apply in their cost sharing discussions with the local boards to develop the WIOA Phase II MOUs.

**The CWDs are not required to use a single or specific set of criteria when determining proportionate use and relative benefit.”**

## **California Department of Social Services All County Information Notice 1-93-16 (12/27/16)**

“Additionally, 20 CFR, section 678.700 (page 55903) provides clarifying information for TANF programs: **“The Departments... wish to clarify that there are numerous methods for allocating costs, of which a proportion of customers is only one.”**

**“Proportionate benefit” is not defined in the WIOA and may be interpreted by the CWDs and local boards...The local boards and CWDs have significant flexibility** and discretion to develop cost methodologies and come to agreements that adhere to the WIOA regulations.

As stated in 20 CFR, section 678.735 (page 55913): “The partners should be contributing an amount proportionate to their use of the one-stop center. Determining this **under the local mechanism is completely left up to the local partners and local board to work out in the MOU**, as long as it follows the federal cost principles...”

## **Identify Cash, Non-Cash, Third-Party In-Kind Contributions**

**AJCC partners may provide cash, non-cash, and third-party in-kind contributions to cover their proportionate share:**

If **non-cash or in-kind contributions** are used they **cannot include non-infrastructure costs** (such as personnel) and must be valued consistent with Uniform Guidance §200.306 to ensure they are **fairly evaluated** and meet partner's proportionate share (§678.720)

### ***“Caps” Are Only Applicable to the State Funding Mechanism...***

***No set caps on the amount or percent of overall funding an AJCC partner is responsible for contributing to fund infrastructure costs under the local funding mechanism, except the contributions from administrative costs may not exceed the amount available for administrative costs under authorizing statute of the partner program.***

## **WSD16-09 Definitions...**

**Cash Contributions** - Cash funds used to cover a partner's proportionate share of the AJCC. Can be paid either directly from the partner or through an interagency transfer on behalf of the partner

**Non-Cash Contributions** - Expenditures made by one partner on behalf of the AJCC or contributions of goods or services contributed by a partner for the center's use. Contributions must be valued consistent with Uniform Guidance

**Third Party In-Kind Contributions** - Contributions by a non-AJCC partner to support the AJCC in general, not a specific partner; or contributions by a non-AJCC partner to an AJCC partner to support its proportionate share of the infrastructure costs. Unrestricted contributions that support the AJCC in general would lower the total amount of infrastructure costs prior to proportionate division whereas restricted contributions can be used by the intended partner(s) to lower their share of the infrastructure costs

## ***Reconcile on a Regular Basis***

**The Local Board is responsible for ensuring that all of the AJCC infrastructure costs are paid** according to the provisions of their signed Phase II MOUs.

All AJCC partner contributions, regardless of the type, **must be reconciled on a regular basis (e.g., monthly or quarterly), comparing expenses incurred to relative benefits received.**

The reconciliation process is necessary in order to **ensure that the proportionate share each partner program is contributing remains consistent with the cost methodology, up to date, and in compliance with the terms of the MOU.**

**The Phase II MOU must also identify who will be responsible for this regular reconciliation.**

## Questions

**Q: What if there is more than one local workforce area served by the County Welfare Department?**

A: An MOU (with an IFA) will need to be separately negotiated and signed with each of the local workforce areas.

**Q: If the CWD has contracted with a service provider that is colocated within the AJCC, who pays for the shared infrastructure costs?**

A. The CWD is the local entity that negotiates and signs the MOU, not subrecipients or contracted providers. The CWD can use additional funds to meet their infrastructure cost-sharing obligations and/or direct their contractor to use their funds to meet this obligation.

**Q: What if mandated partners are balking at sharing what appears to be highly excessive infrastructure costs?**

A. Colocated partners must first develop an AJCC infrastructure budget and the specific nonpersonnel line items to be included and, then, agree upon an appropriate cost allocation methodology.

All partners are helped when the infrastructure costs of the AJCC are reasonable and appropriate. **The Local Workforce Development Board and partners should discuss how, where possible, to reduce the AJCC infrastructure costs to be shared.**



**Q: Can a colocated partner voluntarily pay for more than their proportionate share into the AJCC Infrastructure budget (through utilizing any of the allowable methods – cash, non-cash, and third party in-kind)?**

**A. No. Each colocated partner must pay the proportionate share based on its use and benefit of the AJCC.**

In the Joint Final Rule’s preamble, page 55912, the Departments state “each program may contribute only an amount that does not exceed its proportionate share in accordance with the Uniform Guidance set forth in part 200 and an agreed-upon cost allocation methodology developed by the one-stop partners”.

**Q: What is the maximum contribution of CalWORKs dollars to WIOA/AJCC?**

**A: There are no program partner caps on infrastructure cost contributions in the Local Funding Mechanism.** The “Programmatic Statewide Caps” are only applied in the event that a local area is unable to successfully negotiate a local Infrastructure Funding Agreement.

A colocated AJCC partner is expected to share in the infrastructure costs of the AJCC that is “proportionate to use and relative benefit received” based upon an agreed-upon cost allocation methodology.

**Q: What are the benefits of not triggering the State Funding Mechanism (SFM) for Infrastructure costs?**

**A: There are many benefits to negotiating the Infrastructure Funding Agreement at the local level and not triggering SFM:**

- **A major goal of WIOA is to build a strong, *local* workforce system with collaborative *local* partnerships.** The SFM reduces local flexibility and may harm local relationships through the state telling partners what they “*have to pay*”.
- The SFM is an exceptionally complex process. It will involve multiple-state departments and may take months to resolve.
- The SFM first takes into account the local areas that have reached agreement before the “statewide caps” are calculated on partner contributions. Under the SFM, some partners may actually end up paying more than they would have under the local funding mechanism.

**Q: What are partner infrastructure “noncash contributions”?**

A. “Fairly evaluated expenditures on infrastructure goods or services made by a partner on behalf of, or for use by, the center.”

**Q: How do you value noncash contributions?**

A. One way to ensure that non-cash contributions are fairly evaluated is that **partners agree on the sources or companies that will be used to assess or appraise the fair market or rental value of non-cash contributions (2 CFR 200.306).**

**Q: Are County CalWORKs caseload sizes relevant to the MOU?**

**A. No, not for the Infrastructure Funding Agreement (IFA).** The IFA is negotiated based upon colocation within the AJCC and, potentially, partner program customers served within the AJCC.

**Q: Can the MOUs negotiate that a certain number of CalWORKs families shall be accepted into WIOA services?**

**A. No.** Each partner program has the responsibility for implementing its own program within its own regulations and requirements. However, the partners working together have a responsibility to develop a one-stop delivery system that meets customer needs, ensures service access and permits co-enrollment of customers (when appropriate).

**Q: How can CalWORKs families benefit/access WIOA services when there is no AJCC (neither comprehensive or network) within their jurisdiction?**

**A. WIOA requires that the MOU include, “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.”**

This is a required MOU element and local partners are expected to develop strategies to ensure all customers (including CalWORKs families) have “necessary and appropriate access to services”.

***Have Follow-Up Questions or Want Technical Assistance?***

***County Welfare Departments...***

**- Contact your Local Workforce Development Board  
and**

**- Notify Erin Horgan at CWDA:  
*ehorgan@cwda.org***

**and**

**David Van Gee, California Department of Social Services:  
*David.VanGee@dss.ca.gov***

***Local Workforce Development Boards...***

**Send Questions and TA Requests to  
Your EDD Regional Advisor**

***Thanks for Joining Us Today!***