



WORKFORCE INVESTMENT NOTICE: 18-02

TO: WORKFORCE INVESTMENT AREAS

FROM: Governor's Workforce Board

SUBJECT: State Mechanism for Funding One-Stop Career Center Infrastructure Costs

DATE: Effective: October 1, 2017

- 1. PURPOSE:** To communicate guidance and parameters for implementation of the state infrastructure funding mechanism when required partners and the local workforce development boards (LWDB) cannot reach consensus on funding One Stop Career Center infrastructure costs through the local infrastructure funding mechanism.
- 2. REFERENCES:** Workforce Innovation and Opportunity Act, § 121, Public Law 113-128.; 20 C.F.R. §§ 678.700 thru 678.760.; 2 C.F.R. Parts 200 and 2900.
- 3. BACKGROUND:** Per section 121 (h) of the Workforce Innovation and Opportunity Act (WIOA), states are required to develop an infrastructure funding mechanism that will be implemented by the state to determine and collect each partner's proportionate share of funds for One Stop Career Center infrastructure costs when a LWDB and local partners in a local workforce development area cannot reach a consensus on infrastructure funding through the local infrastructure funding mechanism.

The state infrastructure funding mechanism must take into consideration the number of centers in the area, the population served, and services provided. It must take into account each local partner's costs for administration of the local workforce development system that are not for purposes related to One Stop Career Centers, as well as the statutory requirements for each partner program, all other legal requirements, and the ability of each partner program to fulfill those requirements.

- 4. INQUIRIES:** Questions concerning this issuance may be directed by phone or by email at:

Rhode Island Department of Labor and Training
Governor's Workforce Board RI
1511 Pontiac Avenue, Building 72-3
Cranston, Rhode Island 02920
(401) 462-8860 Phone (401) 462-8865 Fax
www.dlt.ri.gov | www.gwb.ri.gov

5. POLICY

A. State Infrastructure Funding Mechanism

If a local workforce development board (LWDB) is unable to come to agreement with one or more partner programs on a local infrastructure funding mechanism; notification must be given to the GWB by December 1, 2017. All documents utilized by the local area in the negotiations process, including any budgets or allocation methodologies that have been agreed upon, should be sent via email with the notice. In subsequent years in which agreements are renewed, notification must be given by April 15th.

The GWB will be statutorily compelled to impose the State infrastructure funding mechanism as prescribed by WIOA sec. 121(h) and the Final Rules in 20 CFR Part 678, and consistent with Training and Employment Guidance Letter (TEGL) 17-16, and any subsequent revisions thereafter.

After determining and collecting each partner's proportionate share of funds for One Stop Career Center infrastructure costs; this information will be transmitted to the LWDB, the CEO, and the one-stop Required Parties for the LWDA prior to the start of the program year, if feasible.

The State mechanism generally makes fewer funds available than a local agreement. The U.S. Department of Labor notes in its preamble to the WIOA Final Rules, "...while under the local-funding mechanism partner programs may contribute through any funds allowed by their authorizing statutes, under the State funding mechanism, infrastructure funds must come from administrative funds for the majority of partner programs."

B. Factors used in determining one-stop infrastructure budget

In determining allocations under the State infrastructure funding mechanism, the GWB is required to identify the factors, as well as each factor's corresponding weight, that the GWB will use in determining a one-stop center infrastructure budget. The GWB will utilize the following factors equally weighted:

Factor	Weight
the number of one-stop centers in a local area	33.3%
the total population served by such centers	33.4%
the services provided by such centers	33.3%

C. Maximum Potential Caps

Under a State Funding Mechanism, partner program's maximum contribution to infrastructure costs is limited to a specific percentage of the total Federal funding which that program receives for the affected program year. The applicable limiting percentage for each program is listed in WIOA sec. 121(h)(2)(d), 20 CFR 678.738(c), 34 CFR 361.738(c), and 34 CFR 463.738(c) and is as follows:

- For the WIOA youth, adult, or dislocated worker programs, no more than three percent (3%) of Federal funds provided to carry out the program.
- For the Wagner-Peyser Act, no more than three percent (3%).
- For vocational rehabilitation programs funded under the Rehabilitation Act, no more than three-quarter percent (0.75%) of Federal funds provided in State Fiscal Year (SFY) 2016; one percent (1.0%) in SFY 2017; one and one quarter percent (1.25%) in SFY 2018; and one and one half percent (1.5%) percent thereafter.
- For other required partners, no more than one half percent (1.5%) of Federal funds provided to carry out the education or employment and training program in the fiscal year.

The GWB must further select a determining factor or factors that reasonably indicates the use of one-stop centers in the State. This factor will be used to determine each local area's share of infrastructure funds made available through the State Infrastructure Funding Mechanism. This will be the percentage of Title I-B funding each local area receives during the program year during which infrastructure funding is being negotiated.

6. APPEALS

Partners may appeal the determination of state infrastructure funding contributions on the basis that such determination is inconsistent with this policy or with any part of section 121(h) of WIOA. The appeals process is as follows:

1. Within 21 calendar days from the date of receipt of the notice of state infrastructure funding determination, the partner(s) may file an appeal to the State in writing that clearly describes the reason(s) the partner is disputing the required contribution amount calculated under the state infrastructure funding mechanism.
2. The State will review the request for appeal.
3. The State will notify the partner of its actions in writing within 30 calendar days upon receipt of the appeal.

7. MONITORING

Through the state's monitoring system, program monitors and auditors will review the area's MOU negotiation process during the annual onsite monitoring review for compliance with federal and state laws and regulations. Any issues will be handled through the state's monitoring resolution process.

8. EFFECTIVE DATE. These guidelines are effective immediately