



## STATE WORKFORCE DEVELOPMENT BOARD Realignment Committee

### Responses to Input From Local Workforce Development Boards and Chief Elected Officials on the Realignment of Iowa's Local Workforce Development Areas

#### Background

- In September 2017, the Region 5 Office of the U.S. Department of Labor Employment and Training Administration (USDOL) performed a review of Iowa's workforce development system that focused on Region 5 (Fort Dodge), 10 (Cedar Rapids), and 12 (Sioux City) to assess compliance with the federal Workforce Innovation and Opportunity Act of 2014 (WIOA).
- USDOL issued a Monitoring Report that consisted of multiple Compliance Findings that identified areas in which Iowa was not in compliance with WIOA.
- In response to the Monitoring Report, the State Workforce Development Board took action to form a Realignment Committee to make a recommendation to the full State Board of a configuration that would allow Iowa's local workforce development areas (local areas) to have enough resources to meet all WIOA requirements.
- To consult with Local Workforce Development Boards (WDBs) and chief elected officials, the Realignment Committee developed a proposed framework and distributed to current Local WDBs and chief elected officials for review and comment.
- Many Local WDBs and chief elected officials submitted feedback.
- This document contains the responses of the Realignment Committee to the feedback received from Local WDBs and chief elected officials.

## 1. What will the impact of realignment be on the number of Iowa *WORKS* field offices in the State?

### Comment(s):

The most common concern raised by commenters was the fear that the USDOL-mandated realignment will result in the closure of Iowa *WORKS* field offices. The majority of commenters expressed this concern with some expanding to include comments on the negative impact that the closure of Iowa *WORKS* offices would have on access to services – in particular, in rural Iowa, where closures would result in long commutes for unemployed persons who are the most in need of services and the least able to afford such a drive.

### Response:

Realignment will not result in the closure of any field offices. The number of Iowa *WORKS* field offices will be dictated by the amount of state and federal funding for workforce development programs and services. There is no plan to close any Iowa *WORKS* field offices.

One of the first potential issues identified and discussed by the Realignment Committee was how to maximize access to services across the state, including how best to maintain the current level of Iowa *WORKS* field offices. After discussion, the Realignment Committee’s proposed framework includes as one of its three goals “Maintain Access to Services,” which consists of the following two prongs:

- 1) Keep Iowa *WORKS* field offices open to ensure Iowans have access to services.
- 2) Maintain WIOA Title I program services in Iowa *WORKS* field offices.

Under the Realignment Committee’s proposed framework, WIOA Title I program services will continue to be available at Iowa *WORKS* field offices across the State, regardless of the number of local areas, so long as there is enough funding to support them.

## 2. What will the impact of realignment be on services at field offices?

### Comment(s):

Some commenters questioned what impact the USDOL-mandated realignment of local areas would have on the services for jobseekers, workers, and employers at field offices. These commenters felt that the focus on administration and governance was misplaced; instead, our attention should be on services.

## Response:

The purpose of the workforce development system is to provide accessible and high-quality services to jobseekers, workers, and employers. The Local Workforce Development Boards (WDBs) and local workforce development areas (local areas) exist to fulfill this purpose. That's why the Realignment Committee's proposed framework includes as one of its three goals "Maintain Access to Services," which consists of the following two prongs:

- 1) Keep Iowa *WORKS* field offices open to ensure Iowans have access to services.
- 2) Maintain WIOA Title I program services in Iowa *WORKS* field offices.

Under the Realignment Committee's proposed framework, the realignment of local areas should have a minimal impact on the services available at field offices across the State. While the ultimate decision on what WIOA Title I program services will be provided where will ultimately be decided by the new Local WDBs, the Realignment Committee has included the requirement that Iowa maintains WIOA Title I program services in the Iowa *WORKS* field offices at which they are currently provided in order to ensure that no communities lose these services after realignment.

If properly executed, the streamlining of administrative and governance requirements could also lead to a larger share of WIOA Title I program funds being available for direct services. WIOA caps the amount of a local area's WIOA Title I program funding that can be used on administrative costs at 10 percent, but it does not require that a local area spend 10 percent of its funds on administrative costs. Every dollar spent on administrative costs is a dollar that can't be spent on direct services for Iowans. Streamlining administrative costs in local area by realignment could have the positive effect of allowing Iowa's local areas to spend a larger share of its WIOA Title I program funding on direct services than is currently possible.

### 3. Are the costs of local area governance and administration "infrastructure costs" that must be shared by core programs under WIOA?

#### Comments:

Multiple commenters stated that WIOA Title I program funds should not be the sole funding source for local area requirements because WIOA requires core partners to share infrastructure costs.

#### Response:

These comments represent an incorrect understanding of what the law requires for the infrastructure funding agreement (IFA) required under WIOA, which covers "infrastructure costs."

USDOL and the U.S. Department of Education (USDOE) issued joint final rules to implement some parts of WIOA. The joint final rules are identical regulations in substance with each

regulation individually found in the respective title for a department under the Code of Federal Regulations (CFR).

- The USDOL final rule defining “infrastructure costs” for WIOA purposes is found at 29 CFR section 678.700.
- The Rehabilitation Services Administration (RSA) final rule defining “infrastructure costs” for WIOA purposes is found at 34 CFR section 361.700.
- The Office of Career, Technical, and Adult Education (OCTAE) final rule defining the term “infrastructure costs” for WIOA purposes is found at 34 CFR section 463.700.

The joint definition of the term “infrastructure costs” is:

**What are the one-stop infrastructure costs?**

(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 WDBs may consider common identifier costs as costs of one-stop infrastructure.<sup>1</sup>

The following local workforce development area costs are not listed in the definition of “infrastructure costs” in the joint final rules promulgated by USDOL and USDOE:

- 1) One-stop operator;
- 2) Independent support staff for the local board;
- 3) Local board operating budget;
- 4) Local fiscal agent; and
- 5) Administrative costs for the service provider(s) of WIOA Title I programs.

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<sup>1</sup> 20 CFR § 678.700 (a)-(b), online at: <https://bit.ly/2rsMIWD> (last viewed June 6, 2018); 34 CFR § 361.700 (a)-(b), online at: <https://bit.ly/2rtAbME> (last viewed May 8, 2018); 34 CFR 463.700 (a)-(b), online at: <https://bit.ly/2I8uLxw> (last viewed June 6, 2018).

The joint final rule defines the term “infrastructure costs” as “nonpersonnel costs”<sup>2</sup> and most of the required costs listed above are primarily personnel costs. Moreover, none of the above-listed requirements for a local area can reasonably be interpreted to be included as part of the items listed in the definition of “nonpersonnel costs that are necessary for the general operation of the one-stop center,” which are rent, utilities, maintenance, equipment, technology, and common identifier costs.

Under the joint final rules, the costs associated with the one-stop operator, independent support staff for the Local WDB, the Local WDB operating budget, the local fiscal agent, and the administrative costs for the service provider(s) of WIOA Title I programs are not “infrastructure costs” that must be shared under the required IFA.

#### 4. How will Iowa compare to other Midwestern states after realignment?

##### Comment(s):

Some commenters stated that if Iowa realigns so that the State has one or two local areas, it will have the fewest local areas in the Midwest.

##### Response:

Compliance Finding No. 1 of the USDOL Monitoring Report states:

**Finding 1: Local Areas Not Aligned Appropriately – State**  
(Core Component 3.1 – Governance)

The 15 local areas in Iowa do not meet the substantive requirements of a local workforce development area (LWDA) under WIOA. The 15 service areas date back to the Job Training Partnership Act under which States established “Service Delivery Areas” or SDAs. These SDAs were formed to align with service delivery in the State and, in Iowa, this resulted in areas being formed around the Community College locations throughout the State. Subsequent workforce development legislation, first the Workforce Investment Act of 1998 and, most recently, WIOA, allowed for existing service delivery areas to continue to serve as local areas, with only minimal qualifying criteria.

As a result, the current local service areas in Iowa do not align with the characteristics around which the WIOA intends a LWDA to be aligned, such as local labor market areas and/or economic development areas. Furthermore, the division of limited WIOA funds among 15 service areas, particularly in a State that has large rural areas, is stretching the available dollars so thin that the local areas are

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<sup>2</sup> 20 CFR § 678.700 (a)-(b), online at: <https://bit.ly/2rsMIWD> (last viewed June 6, 2018); 34 CFR § 361.700 (a)-(b), online at: <https://bit.ly/2rtAbME> (last viewed June 6, 2018); 34 CFR 463.700 (a)-(b), online at: <https://bit.ly/2I8uLxw> (last viewed June 6, 2018).

unable to fund core WIOA functions, such as staff support for the required Local Workforce Development Boards (WDBs) and/or the One-Stop Operators (OSOs).

And finally, this structure does not facilitate the development of WIOA-compliant planning regions which, by law and regulation, are aligned with labor markets, commuting patterns, economic development areas, etc.

**Required Action:** The State must work with the chief elected officials to establish WIOA-compliant LWDA that are able to fulfill all of the required roles and functions of a LWDA. The State must submit a plan to address the non-compliant local structure, in its response to this report. The Finding will be resolved when the State has LWDA that are aligned with the criteria described above and are able to fund and/or administer the core WIOA functions described above.

Thus, the problem presented by the USDOL mandate to realignment Iowa’s local areas is one of math: How many WIOA-compliant local areas can Iowa’s federal funding support?

In order to accurately compare Iowa to other States in the Midwest, we should look at both the amount of WIOA Title I program funding and the number of local areas, not just the number of local areas. On May 21, 2018, USDOL issued Training and Employment Guidance Letter (TEGL) No. 16-17, which contains the allotments to States for the WIOA Title I Youth, Adult, and Dislocated Worker programs for federal program year 2018 (PY18).<sup>3</sup> The following table shows the funding that each State in the Midwest will receive for the WIOA Title I Youth, Adult, and Dislocated Worker programs for PY18 from TEGL 16-17 and the number of local areas according to the Career One-Stop website,<sup>4</sup> which is sponsored by USDOL.

Table 3.1.

PY18 WIOA Title I Program Funding for Midwestern States

State	Youth	Adult	Dislocated Worker	Title I Total	Areas
IL	\$ 42,733,627	\$ 40,226,996	\$ 62,900,780	\$ 145,861,403	22
OH	\$ 36,354,942	\$ 33,780,803	\$ 39,667,597	\$ 109,803,342	20
MI	\$ 28,612,013	\$ 26,127,450	\$ 29,925,227	\$ 84,664,690	16
IN	\$ 14,277,065	\$ 12,986,088	\$ 14,082,228	\$ 41,345,381	12
MO	\$ 14,066,190	\$ 13,103,150	\$ 14,147,654	\$ 41,316,994	14
WI	\$ 11,197,879	\$ 9,671,276	\$ 11,769,133	\$ 32,638,288	11
MN	\$ 10,094,772	\$ 8,472,215	\$ 8,704,633	\$ 27,271,620	16
KS	\$ 5,170,980	\$ 4,357,065	\$ 4,670,889	\$ 14,198,934	5
IA	\$ 4,779,676	\$ 3,393,197	\$ 4,142,800	\$ 12,315,673	15
NE	\$ 2,656,124	\$ 2,101,059	\$ 2,397,862	\$ 7,155,045	3
SD	\$ 2,209,670	\$ 2,101,059	\$ 1,163,056	\$ 5,473,785	1
ND	\$ 2,209,670	\$ 2,101,059	\$ 812,015	\$ 5,122,744	1

<sup>3</sup> Online at: <https://bit.ly/2stJOLJ> (last viewed June 6, 2018).

<sup>4</sup> Online at: <https://bit.ly/2o1HKb9> (last viewed June 6, 2018).

As Table 3.1 shows:

- For PY18, Iowa has the fourth-lowest total WIOA Title I program funding out of the 12 States that traditionally make up the Midwest.
- Iowa currently has the fourth-highest number of local areas, which means that it currently has more than States with more than twice as much combined WIOA Title I program funding such as Wisconsin, Missouri, Indiana, and Minnesota.

When compared to other States in the Midwest, Iowa has one of the lowest WIOA Title I program funding totals. Given the new unfunded mandates in WIOA such as the competitively procured one-stop operator (OSO) requirement and the new required Local WDB functions that require full-time independent staff and Iowa's relatively low WIOA Title I program funding level, it's appropriate for Iowa to have one of if not the lowest number of local areas in the Midwest.

## 5. What is the requirement for alignment with labor sheds and local economic development areas?

### Comment(s):

Some commenters noted that on some of the maps, the territories did not line up perfectly with a local labor shed or a local economic development area. They stated that WIOA requires each local area to align with a local labor shed or local economic development area.

### Response:

WIOA does not require that a local area align perfect with a labor shed or a local economic development area. Instead, it requires that "consideration of the extent to which the proposed area":

- 1) Is consistent with local labor market areas;
- 2) Has a common economic development area; and
- 3) Has the Federal and non-Federal resources, including appropriate education and training institutions to administer activities under WIOA Title I, Subtitle B.<sup>5</sup>

Thus, even if we assume for the sake of argument that this requirement applies to Iowa, the requirement only requires consideration of the above factors. The language "consideration of the

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<sup>5</sup> 20 CFR § 679.24(a), online at: <https://bit.ly/2M1vu5Y> (June 6, 2018).

extent” is different from “each local must be.” The word “consideration” means “something that is to be kept in mind in making a decision, evaluating facts.”<sup>6</sup> A consideration is not dispositive.

Moreover, that which must be given consideration is “the *extent* to which the proposed area” aligns with labor market areas and has a common economic development area. The word “extent” means “the space or degree to which a thing extends.”<sup>7</sup> This word choice allows for a degree of adherence to the common labor market and economic development area factors when considering them.

Lastly, consider Compliance Finding No. 1 in the USDOL Monitoring Report:

**Finding 1: Local Areas Not Aligned Appropriately – State**  
(Core Component 3.1 – Governance)

The 15 local areas in Iowa do not meet the substantive requirements of a local workforce development area (LWDA) under WIOA. The 15 service areas date back to the Job Training Partnership Act under which States established “Service Delivery Areas” or SDAs. These SDAs were formed to align with service delivery in the State and, in Iowa, this resulted in areas being formed around the Community College locations throughout the State. Subsequent workforce development legislation, first the Workforce Investment Act of 1998 and, most recently, WIOA, allowed for existing service delivery areas to continue to serve as local areas, with only minimal qualifying criteria.

As a result, the current local service areas in Iowa do not align with the characteristics around which the WIOA intends a LWDA to be aligned, such as local labor market areas and/or economic development areas. Furthermore, the division of limited WIOA funds among 15 service areas, particularly in a State that has large rural areas, is stretching the available dollars so thin that the local areas are unable to fund core WIOA functions, such as staff support for the required Local Workforce Development Boards (WDBs) and/or the One-Stop Operators (OSOs).

And finally, this structure does not facilitate the development of WIOA-compliant planning regions which, by law and regulation, are aligned with labor markets, commuting patterns, economic development areas, etc.

**Required Action:** The State must work with the chief elected officials to establish WIOA-compliant LWDAs that are able to fulfill all of the required roles and functions of a LWDA. The State must submit a plan to address the non-compliant local structure, in its response to this report. The Finding will be resolved when the State has LWDAs that are aligned with the criteria described above and are able to fund and/or administer the core WIOA functions described above.

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<sup>6</sup> *The Random House Dictionary of the English Language*, p. 434 (2d ed.).

<sup>7</sup> *The Random House Dictionary of the English Language*, p. 684 (2d ed.).



Given Iowa's limited federal funding, it would be very difficult (if not impossible) to comply with the USDOL directive in Compliance Finding No. 1 and also have local areas that all align exactly with the territorial boundaries of individual labor markets within Iowa and an economic development area.

Because of these reasons, the Realignment Committee has attempted to draw maps that include more than one labor market and economic development area within the territories of each local area so as to not cut one of them in half. Put otherwise, the Realignment Committee has attempted to draw the territorial lines of local areas so that the local areas include multiple labor markets and economic development areas in their entirety.

## 6. What ability is there under WIOA for local areas to combine administrative costs?

### Comment(s):

Some commenters proposed combining administrative costs. These commenters proposed that multiple local areas combine administrative costs to achieve savings that allow realignment to occur in a way that leaves more local areas and Local WDBs in place than the two or three that Iowa's limited WIOA Title I program funding allows.

### Response:

First, we must consider the question: Does Iowa want to maximize the amount of WIOA Title I program funds that are available for direct services to jobseekers, workers, and employers? Every dollar spent on administrative costs is a dollar unavailable for direct services. To have as many local areas as possible is to commit to spending as much money as possible on administrative costs. Committing to spending as much money as possible on administrative costs is committing to spending as little money as possible on direct services. This analysis provides a roadmap for how Iowa can spend as little money as possible on direct services and as much money as possible on administrative costs.

On its face, combining administrative costs seems like a viable way to allow each local area to meet all WIOA requirements in a cost-effective way and to allow the State to have as many local areas and Local WDBs as possible. As is often the case with WIOA, federal law means that it's not as easy as it might seem at first glance. Some administrative costs cannot be combined under the law. Further, some administrative costs cannot practically be combined due to the nature of the costs. Virtually no administrative costs can be combined so that the administrative costs of two local areas equal the administrative costs of one local area because the work is the work and it must be done for each local area.

### 6.1. Ultimate Authority

One factor to consider is the practical effect of having more than Local WDB and/or chief elected official group sharing a contract. Which entity has ultimate authority when it comes to directing an individual or entity's performance or terminating a contract? Consider:

- Two Local WDBs share staff. What if one Local WDB instructs staff to do one thing on a certain day and another Local WDB instructs staff to do another? Which Local WDB controls? Further, what if one Local WDB is satisfied with the performance of staff but the other Local WDB is not and wants to terminate the individual?
- Two Local WDBs share an OSO. What if one Local WDB and chief elected official group is satisfied with an OSO's performance but the other Local WDB and chief elected official group is not and wants to de-certify?
- Two Local WDBs share a service provider under a WIOA Title I program. What if one Local WDB is satisfied with the service provider but the other is not and wants a different entity to fulfill that role?

## 6.2. Service Providers of WIOA Title I Programs

It's possible to combine some administrative costs associated with the service providers of WIOA Title I programs by:

- 1) One local area having one entity be the service provider for the WIOA Title I Youth, Adult and Dislocated Worker programs. Multiple local areas in Iowa do this now. While this would likely eliminate some administrative costs by consolidation, it would not cut administrative costs in half because there are costs specific to each program that cannot be eliminated.
- 2) Two or more local areas having the same entity be a service provider of a WIOA Title I program or all of them. This would allow the combining of the administrative costs associated with some higher level management. While this would likely eliminate some administrative costs by consolidation, it would not cut administrative costs in half because there are costs specific to each program that cannot be eliminated.

## 6.3. Local Fiscal Agent

Compliance Finding No. 2 of the USODL Monitoring Report states in pertinent part:

### **Finding 2: Improper Disbursement of Local WIOA Funds - State**

(Core Component 3.1 - Local Area Governance)

IWD improperly disburses WIOA Title I grant funds directly to the WIOA Title I Adult, Dislocated Worker and Youth service providers in each designated local area, bypassing the chief local elected officials who are, per statute and regulations, the local grant recipients for WIOA funds. There was no evidence that the State and the CEOs had entered into agreements in which the CEOs designated the Governor to serve as the local fiscal agent.

The statute at section 107(12) states, "The chief elected official in a local area shall serve as the local grant recipient for WIOA funds allocated to the local area under WIOA sections 128 and 133, unless the CEO reaches an agreement with the

Governor for the Governor to act as the local grant recipient. “ The statute further states that only the local grant recipient/chief elected official or his/her designated fiscal agent may disburse local WIOA grant funds and this must be done at the direction of the local board.

**Required Action:** The State must establish a process for the allocation of WIOA funds directly to the local grant recipient/chief elected official or to his/her designated fiscal agent in each local area.

In order for the chief elected officials to serve as the local grant recipient, they must designate a local fiscal agent. The most effective way to combine this cost likely would be for Iowa’s chief elected officials to enter into an agreement with IWD under which IWD would serve as the fiscal agent for the local area and be responsible for the functions described in 20 CFR section 679.420(b):

- 1) Receive funds;
- 2) Ensure sustained fiscal integrity and accountability for expenditures of funds in accordance with Office of Management and Budget circulars, WIOA, and the corresponding Federal Regulations and State policies;
- 3) Respond to audit financial findings;
- 4) Maintain proper accounting records and adequate documentation;
- 5) Prepare financial reports; and
- 6) Provide technical assistance to subrecipients regarding financial issues.<sup>8</sup>

If a Local WDB wishes to assign IWD the optional fiscal agent functions in 20 CFR section 679.420(c), it could enter into an agreement. Of course, the performance of local fiscal agent functions would require that IWD receive appropriate funds for the performance of such functions for a local area or local areas. And as the WIOA final rule makes clear, these functions must be performed for the local grant recipient for each local area. This means that while some cost savings could be realized by consolidating the fiscal agent functions of two or more local areas, the bulk of the costs would be local area specific.

#### 6.4. One-Stop Operator (OSO)

In the summer of 2017, IWD attempted to combine the administrative costs associated with the OSO among multiple local areas. IWD began a competitive procurement process for four OSOs for Iowa’s 15 local areas. After the USDOL review in September of 2017, USDOL directed IWD to cease the procurement because it did not meet WIOA requirements for OSOs. And Compliance Finding No. 1 of the USDOL Monitoring Report states:

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<sup>8</sup> Online at: <https://bit.ly/2LQJv6z> (last viewed June 6, 2018).

[T]he division of limited WIOA funds among 15 service areas, particularly in a State that has large rural areas, is stretching the available dollars so thin that the local areas are unable to fund core WIOA functions, such as staff support for the required Local Workforce Development Boards (WDBs) and/or the One-Stop Operators (OSOs).

WIOA section 121(d) requires that each Local WDB competitively designate or certify a OSO. This must be done in accordance with federal procurement requirements, which include, but are not limited, to competitive pricing.<sup>9</sup> WIOA section 121(d)(2) contains the requirements that an entity must meet in order “[t]o be eligible to receive funds made available under” WIOA Title I, Subtitle B, which is entitled “Workforce Investment Activities and Providers,” to operate a one-stop center. To be eligible for such funds, an entity must be:

- 1) An entity (public, private, or nonprofit), or a consortium of entities (including a consortium of entities that, at a minimum, includes 3 or more of the one-stop partners identified in WIOA section 121(b)(1);
- 2) Of demonstrated effectiveness;
- 3) Locate in the local area; and
- 4) May include:
  - a. An institution of higher education;
  - b. An employment service State agency established under the Wagner-Peyser Act, on behalf of the local office of the agency (i.e., IWD in Iowa);
  - c. A community-based organization, nonprofit organization, or intermediary;
  - d. A private for-profit entity;
  - e. A government agency; and
  - f. Another interest organization or entity, which may include a local chamber of commerce or other business organization, or a labor organization.

Elementary and second schools may not be an OSO under WIOA.

This effectively means that there is a fixed cost for each local area when it comes to procuring an OSO due to the requirements that an OSO must be located in the local area and competitively procured with competitive pricing.

## 6.5. Independent Staff and Operating Budgets for Local WDBs

Compliance Finding No. 1 of the USDOL Monitoring Report states:

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<sup>9</sup> WIOA §§ 121(d) (1)-(2).

[T]he division of limited WIOA funds among 15 service areas, particularly in a State that has large rural areas, is stretching the available dollars so thin that the local areas are unable to fund core WIOA functions, such as staff support for the required Local Workforce Development Boards (WDBs) and/or the One-Stop Operators (OSOs).

Compliance Finding No. 7 of the USDOL Monitoring Report states:

### **Required Functions - State**

(Core Component 3.1: Local Area Governance)

The local boards are not performing the functions that WIOA requires Local WDBs to perform. Based on the reviewers' discussions with IWD and Region 5 staff, it appears that the Title I Adult and Dislocated Worker service providers are performing these Local WDB functions. Section 20 CFR 679.370 (a-q) outlines the roles and responsibilities of the local board. Section 20 CFR 679.400(a) grants Local WDBs authority to hire a director and other staff to assist in carrying out the functions of the Local WDB. Neither the statute nor the regulations authorize any entity other than the Local WDB or its staff to perform these required functions. In the absence of the authority to perform these functions, the costs associated with doing so are potentially subject to disallowance.

**Required Action:** The State must ensure that each Local WDB in the State is able to perform all of its WIOA-required functions. The State must also ensure that Title I service providers that are performing local board functions stop doing so immediately. The State must describe the actions it will take to ensure Local WDBs are able to perform the required functions, in its response to this report. To resolve this Finding, the State must submit descriptions of who is performing, and how they are performing, the WIOA-required Local WDB functions in the three Regions sampled - Regions 5, 10 and 12.

Thus, WIOA requires that each local area must have a Local WDB that has sufficient resources to perform all of the WIOA-required functions for a Local WDB. The ability to combine the administrative costs relating to a Local WDB's operating budget is limited since the Local WDB must perform all required functions under WIOA. This logic can be extended to the independent support staff for the Local WDBs as well, which would be tasked with help the Local WDB to perform a laundry list of functions that, due to their nature, make it difficult to imagine how two Local WDBs could split an executive director, for example, and have that executive director perform the functions in an effective and high-quality fashion. Those functions are:

#### **1) Local Plan**

The local board, in partnership with the chief elected official for the local area involved, shall develop and submit a local plan to the Governor. If the local area is part of a planning region that includes other local areas, the local board shall collaborate with the other local boards and chief elected officials from such other local areas in the preparation and submission of a regional plan.

## **2) Workforce research and regional labor market analysis**

In order to assist in the development and implementation of the local plan, the local board shall--

- a) carry out analyses of the economic conditions in the region, the needed knowledge and skills for the region, the workforce in the region, and workforce development activities (including education and training) in the region, and regularly update such information;
- b) assist the Governor in developing the statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 4912(e)), specifically in the collection, analysis, and utilization of workforce and labor market information for the region; and
- c) conduct such other research, data collection, and analysis related to the workforce needs of the regional economy as the board, after receiving input from a wide array of stakeholders, determines to be necessary to carry out its functions.
- d) Convening, brokering, leveraging

The local board shall convene local workforce development system stakeholders to assist in the development of the local plan and in identifying non-Federal expertise and resources to leverage support for workforce development activities. The local board, including standing committees, may engage such stakeholders in carrying out the functions described in this subsection.

## **3) Employer engagement**

The local board shall lead efforts to engage with a diverse range of employers and with entities in the region involved--

- a) to promote business representation (particularly representatives with optimal policymaking or hiring authority from employers whose employment opportunities reflect existing and emerging employment opportunities in the region) on the local board;
- b) to develop effective linkages (including the use of intermediaries) with employers in the region to support employer utilization of the local workforce development system and to support local workforce investment activities;
- c) to ensure that workforce investment activities meet the needs of employers and support economic growth in the region, by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers; and
- d) to develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers (such as the establishment of industry and sector partnerships), that provide the skilled workforce needed by employers in the region, and that expand employment and career advancement opportunities for workforce development system participants in in-demand industry sectors or occupations.

#### **4) Career pathways development**

The local board, with representatives of secondary and postsecondary education programs, shall lead efforts in the local area to develop and implement career pathways within the local area by aligning the employment, training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment.

#### **5) Proven and promising practices**

The local board shall lead efforts in the local area to--

- a) identify and promote proven and promising strategies and initiatives for meeting the needs of employers, and workers and jobseekers (including individuals with barriers to employment) in the local workforce development system, including providing physical and programmatic accessibility, in accordance with WIOA section 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), to the one-stop delivery system; and
- b) identify and disseminate information on proven and promising practices carried out in other local areas for meeting such needs.

#### **6) Technology**

The local board shall develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, and workers and jobseekers, by--

- a) facilitating connections among the intake and case management information systems of the one-stop partner programs to support a comprehensive workforce development system in the local area;
- b) facilitating access to services provided through the one-stop delivery system involved, including facilitating the access in remote areas;
- c) identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the one-stop delivery system, such as improving digital literacy skills; and
- d) leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment.

#### **7) Program oversight**

The local board, in partnership with the chief elected official for the local area, shall--

- a) conduct oversight for local youth workforce investment activities authorized, local employment and training activities, and the one-stop delivery system in the local area; and

- b) ensure the appropriate use and management of the funds; and
- c) for workforce development activities, ensure the appropriate use, management, and investment of funds to maximize performance outcomes.

**8) Negotiation of local performance accountability measures**

The local board, the chief elected official, and the Governor shall negotiate and reach agreement on local performance accountability measures.

**9) Selection of one-stop operators**

The local board, with the agreement of the chief elected official, for the local area--

- a) shall designate or certify one-stop operators at least once every four years; and
- b) may terminate for cause the eligibility of such operators.

**10) Selection of youth providers**

The local board--

- a) shall identify eligible providers of youth workforce investment activities in the local area by awarding grants or contracts on a competitive basis, based on the recommendations of the youth standing committee, if such a committee is established for the local area; and
- b) may terminate for cause the eligibility of such providers.

**11) Identification of eligible providers of training services**

The local board shall identify eligible providers of training services in the local area.

**12) Identification of eligible providers of career services**

If the one-stop operator does not provide career services in a local area, the local board shall identify eligible providers of those career services in the local area by awarding contracts.

**13) Consumer choice requirements**

The local board shall work with the State to ensure there are sufficient numbers and types of providers of career services and training services (including eligible providers with expertise in assisting individuals with disabilities and eligible providers with expertise in assisting adults in need of adult education and literacy activities) serving the local area and providing the services involved in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive integrated employment for individuals with disabilities.

**14) Coordination with education providers**



The local board shall coordinate activities with education and training providers in the local area, including providers of workforce investment activities, providers of adult education and literacy activities, providers of career and technical education and local agencies administering plans under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741).

The coordination shall include--

- a) reviewing the applications to provide adult education and literacy activities for the local area, submitted to the eligible agency by eligible providers, to determine whether such applications are consistent with the local plan; and
- b) making recommendations to the eligible agency to promote alignment with such plan; and
- c) replicating cooperative agreements in accordance with subparagraph (B) of section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)), and implementing cooperative agreements in accordance with that section with the local agencies administering plans under title I of that Act (29 U.S.C. 720 et seq.) (other than section 112 or part C of that title (29 U.S.C. 732, 741) and subject to section 3151(f) of this title), with respect to efforts that will enhance the provision of services to individuals with disabilities and other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and other efforts at cooperation, collaboration, and coordination.

In this paragraph, the term “cooperative agreement” means an agreement entered into by a State designated agency or State designated unit under subparagraph (A) of section 101(a)(11) of the Rehabilitation Act of 1973.

#### **15) Budget**

The local board shall develop a budget for the activities of the local board in the local area, consistent with the local plan and the duties of the local board under this section, subject to the approval of the chief elected official.

#### **16) Grants and donations**

The local board may solicit and accept grants and donations from sources other than Federal funds made available under this Act.

#### **17) Tax-exempt status**

Local boards may incorporate, and may operate as entities described in section 501(c)(3) of Title 26 that are exempt from taxation under section 501(a) of such title. If the local board does incorporate as a nonprofit, there will additional responsibilities under the law that apply, such as tax filings.

#### **18) Accessibility for individuals with disabilities**

The local board shall annually assess the physical and programmatic accessibility, in accordance with WIOA section 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), of all one-stop centers in the local area.

### **19) One-stop certification**

The local board is required to perform one-stop certification at least once every four years using the criteria established by the State Workforce Development Board and may include additional criteria if it chooses.

### **20) Establishment of the One-Stop Delivery System**

The local board must develop and enter into a memorandum of understanding (MOU) with at least the required partners identified in WIOA section 121 to establish the one-stop delivery system.

## **6.6. Additional Requirements for Planning Regions.**

Furthermore, in order to combine administrative costs, local areas need to be in the same planning region. Under WIOA, a region may consist of:

- 1) One local workforce development area; or
- 2) Two or more contiguous local workforce development areas (which may include local workforce development areas in two or more states).<sup>10</sup>

“The purpose of identifying regions is to align workforce development activities and resources with larger regional economic development areas and available resources to provide coordinated and efficient services to both job seekers and employers.”<sup>11</sup>

Regions exist for planning purposes, which means that Local WDBs that govern a local area within a planning region that consists of more than one local area must perform more functions than a local workforce development board that governs a local workforce development area that is not in a planning region. 20 CFR section 679.510<sup>12</sup> contains the requirements for regional planning that Local WDBs and chief elected officials within an identified planning region must meet. Local WDBs and chief elected officials within an identified planning region must participate in a regional planning process that results in:

- 1) The preparation of a regional plan, as described in 20 CFR section 679.510(a)(2) and consistent with any guidance issued by USDOL;
- 2) The establishment of regional service strategies, including use of cooperative service delivery agreements;
- 3) The development and implementation of sector initiatives for in-demand industry sectors or occupations for the planning region;

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<sup>10</sup> 20 CFR § 679.210(d), online at: <https://bit.ly/2JEODcQ> (last viewed June 6, 2018).

<sup>11</sup> 20 CFR § 679.200, online at: <https://bit.ly/2HtPOLp> (last viewed June 6, 2018).

<sup>12</sup> 20 CFR § 679.510, online at: <https://bit.ly/2GTgybi> (last viewed June 6, 2018).

- 4) The collection and analysis of regional labor market data (in conjunction with the State) which must include the local planning requirements at 20 CFR sections 679.560(a)(1)(i) and (ii);
- 5) The coordination of administrative cost arrangements, including the pooling of funds for administrative costs, as appropriate;
- 6) The coordination of transportation and other supportive services as appropriate;
- 7) The coordination of services with regional economic development services and providers; and
- 8) The establishment of an agreement concerning how the planning region will collectively negotiate and reach agreement with the Governor on local levels of performance for, and report on, the performance accountability measures described in WIOA sec. 116(c) for local areas or the planning region.<sup>13</sup>

Local WDBs and chief elected officials within an identified planning region must prepare, submit, and obtain approval of a single regional plan that includes a description of the activities described in 20 CFR (a)(1) and incorporates local plans for each of the local areas in the planning region.<sup>14</sup> The Local WDBs and chief elected officials for local areas in a planning region must meet requirements in addition to those for a local area. This means that Local WDB will have more responsibilities, which in turn means that the independent staff for the Local WDBs will have more job duties as well.

## 7. Will people participate in the advisory committees to provide input on services provided at the local IowaWORKS field offices and to advise the new Local WDBs?

### Comment(s):

Multiple commenters expressed concern about having local advisory committees. Some stated that it is already difficult to recruit individuals to serve on Local WDBs and that it would be even more difficult to recruit individuals to serve on advisory committees. Other commenters stated that expecting members of local communities to participate in local advisory committees to give input on services provided at the local IowaWORKS field offices and to advise the new Local WDBs was unrealistic. Commenters stated that it was already difficult to get enough Local WDB members to show up at meetings to establish a quorum even though they have formal decision-making authority under the law. These commenters believe that even fewer individuals will show up to advisory committee meetings because the committees will not have decision-making authority.

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<sup>13</sup> 20 CFR § 679.510(a)(1), online at: <https://bit.ly/2GTgybi> (last viewed June 6, 2018).

<sup>14</sup> 20 CFR § 679.510(a)(2), online at: <https://bit.ly/2GTgybi> (last viewed June 6, 2018).

## Response:

The Realignment Committee agrees with these commenters that the inability of all of Iowa's 15 Local WDBs to regularly establish a quorum that enables them to take action to perform required functions is a problem. The assessment of these commenters regarding the inability of some Local WDBs to perform their required functions due to a regular inability to establish quorum is related to Compliance Finding No. 7 in the USDOL Monitoring Report, which states that Iowa's Local WDBs lack the resources to fund independent full-time staff to allow them to perform the WIOA-required functions of Local WDBs. The Realignment Committee is hopeful that the shift from 15 Local WDBs to fewer will enable Local WDBs to be more active because they will be able to afford quality full-time staff to help them perform the functions required of them under WIOA and this increased capability to be active will help to motivate Local WDB members to attend meetings after realignment.

Further, given the concerns voiced by other commenters about the loss of local decision-making and the dilution of rural Iowa's voice in service delivery after the realignment of local areas, the Realignment Committee is hopeful that members of local communities will recognize the importance of continued local input relating to the services provided at Iowa *WORKS* offices across the State and the advisory role to the new Local WDBs, which will cover larger territories than Local WDB cover under Iowa's current local-area configuration.

## 8. With Local WDBs taking on human resources (HR) duties with the hiring of independent staff, what liability exposure will they have?

### Comments:

Some commenters observed that Local WDB will become employers with HR duties with the hiring of independent staff and questioned what liability exposure board members and Local WDBs might face due to this change.

### Response:

Most employment laws include a minimum threshold of employees in order for them to apply to a business. For example:

- The Iowa Civil Rights Act of 1965, as amended, applies to employers with four or more employees.
- Title VII of the federal Civil Rights Act of 1964, as amended, applies to employers with 15 or more employees.
- The federal Americans with Disabilities Act of 1990, as amended (ADA), applies to employers with 15 or more employees.

- The federal Age Discrimination in Employment Act of 1967 (ADEA) applies to employers with 20 or more employees.
- The federal Family and Medical Leave Act (FMLA) applies to employers with 50 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year.

If a Local WDB hires an executive director and two other employees, the ICRA won't apply to them. It's unlikely that the Local WDB would hire enough employees for the above federal laws to apply to them.

Both WIOA and, after the enactment of Senate File 2353 (2018) by the Iowa General Assembly, Local WDBs are authorized to incorporate as a non-profit entity. The plan is to have the new Local WDBs that result from realignment incorporate as non-profit corporations under State and federal law. In addition to making the Local WDBs eligible for some public and private grants for which they would not otherwise be eligible and creating a beneficial tax effect for donations to the Local WDBs, this would help to shield individual members of the Local WDBs from some liability under State and federal employment laws.

The Local WDBs would have to carry insurance as required by law (e.g., workers' compensation insurance) and pay unemployment insurance taxes as required by law. These costs would be part of the operating budgets for the Local WDBs.

## 9. Why is the cost of independent support staff for the Local WDB projected to be higher than what some Local WDBs are currently paying?

### Comments:

Some commenters questioned the cost associated with independent support staff for local boards. Some commenters felt this was too high. Among them, one commenter noted that their board paid only \$3,000 annually. Others felt that a contractor could be hired for less than \$100,000. Some commenters also asked whether the independent staff of the Local WDBs would have health insurance.

### Response:

In the Monitoring Report, USDOL states the following in Finding No. 1:

**Finding 1: Local Areas Not Aligned Appropriately – State**  
(Core Component 3.1 – Governance)

The 15 local areas in Iowa do not meet the substantive requirements of a local workforce development area (LWDA) under WIOA. The 15 service areas date back to the Job Training Partnership Act under which States established "Service Delivery Areas" or SDAs. These SDAs were formed to align with service delivery

in the State and, in Iowa, this resulted in areas being formed around the Community College locations throughout the State. Subsequent workforce development legislation, first the Workforce Investment Act of 1998 and, most recently, WIOA, allowed for existing service delivery areas to continue to serve as local areas, with only minimal qualifying criteria.

As a result, the current local service areas in Iowa do not align with the characteristics around which the WIOA intends a LWDA to be aligned, such as local labor market areas and/or economic development areas. Furthermore, the division of limited WIOA funds among 15 service areas, particularly in a State that has large rural areas, is stretching the available dollars so thin that the local areas are unable to fund core WIOA functions, such as staff support for the required Local Workforce Development Boards (WDBs) and/or the One-Stop Operators (OSOs).

And finally, this structure does not facilitate the development of WIOA-compliant planning regions which, by law and regulation, are aligned with labor markets, commuting patterns, economic development areas, etc.

**Required Action:** The State must work with the chief elected officials to establish WIOA-compliant LWDA that are able to fulfill all of the required roles and functions of a LWDA. The State must submit a plan to address the non-compliant local structure, in its response to this report. The Finding will be resolved when the State has LWDA that are aligned with the criteria described above and are able to fund and/or administer the core WIOA functions described above.

In Finding No. 7, USDOL states:

**Finding 7: Local Workforce Development Boards (LWDBs) Are Not Performing WIOA**

**Required Functions - State**

(Core Component 3.1: Local Area Governance)

The local boards are not performing the functions that WIOA requires Local WDBs to perform. Based on the reviewers' discussions with IWD and Region 5 staff, it appears that the Title I Adult and Dislocated Worker service providers are performing these Local WDB functions. Section 20 CFR 679.370 (a-q) outlines the roles and responsibilities of the local board. Section 20 CFR 679.400(a) grants Local WDBs authority to hire a director and other staff to assist in carrying out the functions of the Local WDB. Neither the statute nor the regulations authorize any entity other than the Local WDB or its staff to perform these required functions. In the absence of the authority to perform these functions, the costs associated with doing so are potentially subject to disallowance.

**Required Action:** The State must ensure that each Local WDB in the State is able to perform all of its WIOA-required functions. The State must also ensure that Title I service providers that are performing local board functions stop doing so immediately. The State must describe the actions it will take to ensure Local WDBs are able to perform the required functions, in its response to this report. To resolve this Finding, the State must submit descriptions of who is performing, and how they are performing, the WIOA-required Local WDB functions in the three Regions sampled – Regions 5, 10 and 12.

The document entitled, “Local Workforce Development Area Requirements & Model Budget,” that the Realignment Committee distributed to Local WDBs and chief elected officials assigns a \$100,000 cost to independent staff for Local WDBs and states:

Local boards must perform the required functions under WIOA. The means by which local boards do that must be via independent staff that work for the local boards. One of the 15 local boards that currently exist in Iowa has independent, full-time support staff. In multiple local areas, Title I program service provider staff perform some of the local board functions required under WIOA. One of the findings in the U.S. Dept. of Labor monitoring report that mandated realignment of Iowa’s local areas centered on the need for independent local board staff.

At a minimum, local board support is one full-time job. In setting the model budget for a local area, IWD used the mandatory minimum amount of staff to meet the WIOA requirements: 1.0 full-time equivalent position (FTE). 1.0 FTE with the State of Iowa costs on average approximately \$100,000.

Admittedly, this figure may be on the low end of the cost spectrum. The scope and substance of the local board functions required under WIOA means hiring individuals who have the necessary experience, expertise, and skills to perform those functions, which could mean a combined cost of salary and benefits over \$100,000. Further, if a Local Board elected to have multiple independent support staff, the cost would likely be higher (e.g., some local boards in neighboring states have an executive director, equal opportunity officer, and fiscal officer).

The \$100,000 cost assigned to independent staff of the Local WDB includes salary and benefits.

A comparison of local board functions under the Iowa Code before WIOA, the federal Workforce Investment Act of 1998, and WIOA helps to illustrate the increase in responsibilities for local boards and the salary and benefits costs associated with hiring an independent staff person to perform the required duties.

Under WIA,<sup>15</sup> Local WDBs were responsible for:

- 1) Developing the five-year local workforce investment plan (Local Plan) and conducting oversight of the One-Stop system, youth activities and employment and training activities under title I of WIA, in partnership with the chief elected official;

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<sup>15</sup> 20 CFR § 661.305, online at: <https://bit.ly/2J5S3Vd> (last viewed June 6, 2018).

- 2) Selecting One-Stop operators with the agreement of the chief elected official;
- 3) Selecting eligible youth service providers based on the recommendations of the youth council, and identifying eligible providers of adult and dislocated worker intensive services and training services, and maintaining a list of eligible providers with performance and cost information, as required in 20 CFR part 663, subpart E;
- 4) Developing a budget for the purpose of carrying out the duties of the Local Board, subject to the approval of the chief elected official;
- 5) Negotiating and reaching agreement on local performance measures with the chief elected official and the Governor;
- 6) Assisting the Governor in developing the Statewide employment statistics system under the Wagner-Peyser Act;
- 7) Coordinating workforce investment activities with economic development strategies and developing employer linkages; and
- 8) Promoting private sector involvement in the Statewide workforce investment system through effective connecting, brokering, and coaching activities through intermediaries such as the One-Stop operator in the local area or through other organizations, to assist employers in meeting hiring needs.
- 9) In cooperation with the chief elected official, appoints a youth council as a subgroup of the Local Board and coordinates workforce and youth plans and activities with the youth council, in accordance with WIA section 117(h) and 20 CFR section 661.335.
- 10) Carrying out the regional planning responsibilities required by the State in accordance with WIA section 116(c) and 20 CFR section 661.290.

As the document entitled, “Local Workforce Development Board Functions,” sets forth, Local WDBs are responsible for performing more functions under WIOA.<sup>16</sup> They are responsible for the following:

### **21) Local Plan**

The local board, in partnership with the chief elected official for the local area involved, shall develop and submit a local plan to the Governor. If the local area is part of a planning region that includes other local areas, the local board shall collaborate with the other local boards and chief elected officials from such other local areas in the preparation and submission of a regional plan.

### **22) Workforce research and regional labor market analysis**

In order to assist in the development and implementation of the local plan, the local board shall–

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<sup>16</sup> See WIOA § 107(d); see also 20 CFR § 679.370, online at: <https://bit.ly/2ss64W9> (last viewed June 6, 2018).



- e) carry out analyses of the economic conditions in the region, the needed knowledge and skills for the region, the workforce in the region, and workforce development activities (including education and training) in the region, and regularly update such information;
- f) assist the Governor in developing the statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491-2(e)), specifically in the collection, analysis, and utilization of workforce and labor market information for the region; and
- g) conduct such other research, data collection, and analysis related to the workforce needs of the regional economy as the board, after receiving input from a wide array of stakeholders, determines to be necessary to carry out its functions.
- h) Convening, brokering, leveraging

The local board shall convene local workforce development system stakeholders to assist in the development of the local plan and in identifying non-Federal expertise and resources to leverage support for workforce development activities. The local board, including standing committees, may engage such stakeholders in carrying out the functions described in this subsection.

### **23) Employer engagement**

The local board shall lead efforts to engage with a diverse range of employers and with entities in the region involved--

- e) to promote business representation (particularly representatives with optimal policymaking or hiring authority from employers whose employment opportunities reflect existing and emerging employment opportunities in the region) on the local board;
- f) to develop effective linkages (including the use of intermediaries) with employers in the region to support employer utilization of the local workforce development system and to support local workforce investment activities;
- g) to ensure that workforce investment activities meet the needs of employers and support economic growth in the region, by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers; and
- h) to develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers (such as the establishment of industry and sector partnerships), that provide the skilled workforce needed by employers in the region, and that expand employment and career advancement opportunities for workforce development system participants in in-demand industry sectors or occupations.

### **24) Career pathways development**

The local board, with representatives of secondary and postsecondary education programs, shall lead efforts in the local area to develop and implement career pathways within the local area by

aligning the employment, training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment.

### **25) Proven and promising practices**

The local board shall lead efforts in the local area to--

- c) identify and promote proven and promising strategies and initiatives for meeting the needs of employers, and workers and jobseekers (including individuals with barriers to employment) in the local workforce development system, including providing physical and programmatic accessibility, in accordance with WIOA section 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), to the one-stop delivery system; and
- d) identify and disseminate information on proven and promising practices carried out in other local areas for meeting such needs.

### **26) Technology**

The local board shall develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, and workers and jobseekers, by--

- e) facilitating connections among the intake and case management information systems of the one-stop partner programs to support a comprehensive workforce development system in the local area;
- f) facilitating access to services provided through the one-stop delivery system involved, including facilitating the access in remote areas;
- g) identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the one-stop delivery system, such as improving digital literacy skills; and
- h) leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment.

### **27) Program oversight**

The local board, in partnership with the chief elected official for the local area, shall--

- d) conduct oversight for local youth workforce investment activities authorized, local employment and training activities, and the one-stop delivery system in the local area; and
- e) ensure the appropriate use and management of the funds; and
- f) for workforce development activities, ensure the appropriate use, management, and investment of funds to maximize performance outcomes.

### **28) Negotiation of local performance accountability measures**

The local board, the chief elected official, and the Governor shall negotiate and reach agreement on local performance accountability measures.

### **29) Selection of one-stop operators**

The local board, with the agreement of the chief elected official, for the local area--

- c) shall designate or certify one-stop operators at least once every four years; and
- d) may terminate for cause the eligibility of such operators.

### **30) Selection of youth providers**

The local board--

- c) shall identify eligible providers of youth workforce investment activities in the local area by awarding grants or contracts on a competitive basis, based on the recommendations of the youth standing committee, if such a committee is established for the local area; and
- d) may terminate for cause the eligibility of such providers.

### **31) Identification of eligible providers of training services**

The local board shall identify eligible providers of training services in the local area.

### **32) Identification of eligible providers of career services**

If the one-stop operator does not provide career services in a local area, the local board shall identify eligible providers of those career services in the local area by awarding contracts.

### **33) Consumer choice requirements**

The local board shall work with the State to ensure there are sufficient numbers and types of providers of career services and training services (including eligible providers with expertise in assisting individuals with disabilities and eligible providers with expertise in assisting adults in need of adult education and literacy activities) serving the local area and providing the services involved in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive integrated employment for individuals with disabilities.

### **34) Coordination with education providers**

The local board shall coordinate activities with education and training providers in the local area, including providers of workforce investment activities, providers of adult education and literacy activities, providers of career and technical education and local agencies administering plans under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741).

The coordination shall include--

- d) reviewing the applications to provide adult education and literacy activities for the local area, submitted to the eligible agency by eligible providers, to determine whether such applications are consistent with the local plan; and
- e) making recommendations to the eligible agency to promote alignment with such plan; and
- f) replicating cooperative agreements in accordance with subparagraph (B) of section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)), and implementing cooperative agreements in accordance with that section with the local agencies administering plans under title I of that Act (29 U.S.C. 720 et seq.) (other than section 112 or part C of that title (29 U.S.C. 732, 741) and subject to section 3151(f) of this title), with respect to efforts that will enhance the provision of services to individuals with disabilities and other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and other efforts at cooperation, collaboration, and coordination.

In this paragraph, the term “cooperative agreement” means an agreement entered into by a State designated agency or State designated unit under subparagraph (A) of section 101(a)(11) of the Rehabilitation Act of 1973.

### **35) Budget**

The local board shall develop a budget for the activities of the local board in the local area, consistent with the local plan and the duties of the local board under this section, subject to the approval of the chief elected official.

### **36) Grants and donations**

The local board may solicit and accept grants and donations from sources other than Federal funds made available under this Act.

### **37) Tax-exempt status**

Local boards may incorporate, and may operate as entities described in section 501(c)(3) of Title 26 that are exempt from taxation under section 501(a) of such title. If the local board does incorporate as a nonprofit, there will additional responsibilities under the law that apply, such as tax filings.

### **38) Accessibility for individuals with disabilities**

The local board shall annually assess the physical and programmatic accessibility, in accordance with WIOA section 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), of all one-stop centers in the local area.

### **39) One-stop certification**

The local board is required to perform one-stop certification at least once every four years using the criteria established by the State Workforce Development Board and may include additional criteria if it chooses.

#### **40) Establishment of the One-Stop Delivery System**

The local board must develop and enter into a memorandum of understanding (MOU) with at least the required partners identified in WIOA section 121 to establish the one-stop delivery system.

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Depending on how one counts the subparts, the functions that a Local WDB must perform have doubled or tripled from what they were under WIA to WIOA. Given the scope of a Local WDB's required functions under WIOA, it's not feasible that a Local WDB can annually pay \$3,000 or even \$10,000 for independent staff and expect its staff to help the Local WDB perform all of its required functions under WIOA. The independent staff position for a Local WDB under WIOA is a full-time job that requires a salary and benefits structure that will enable the Local WDB to recruit and hire an individual with the skill set necessary to effectively perform the job duties required to effectively help the Local WDB fulfill its responsibilities under WIOA.