

**AGENDA
EXECUTIVE COMMITTEE
AUGUST 21, 2017**



"Your Workforce Resource"

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Dear Executive Committee Members:

EXECUTIVE COMMITTEE MEETING

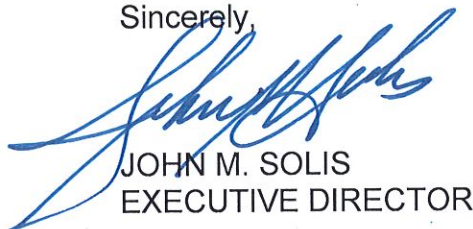
An Executive Committee meeting has been scheduled for:

DATE: Monday, August 21, 2017
TIME: 7:30 a.m. – 9:00 a.m.
(Breakfast served at 7:00 a.m.)
PLACE: Stockton WorkNet Center
56 S. Lincoln Street
Stockton, CA

The meeting will be held in the administrative conference room on the second floor. Attached is your agenda for the Executive Committee meeting.

I look forward to seeing you at the meeting.

Sincerely,



JOHN M. SOLIS
EXECUTIVE DIRECTOR

JMS:gg

AGENDA
EXECUTIVE COMMITTEE
August 21, 2017
7:30 a.m. - 9:00 a.m.

ROLL CALL

STATEMENTS OF CONFLICT OF INTEREST

PUBLIC COMMENT

ACTION ITEM

1. Approval of the Amended Amendment to the Workforce Innovation and Opportunity Act (WIOA) Memorandum of Understanding (MOU) Between the Workforce Development Board (WDB) and the WIOA Required Partners to include Phase II Infrastructure Funding Agreement

***** PUBLIC COMMENT *****

Members of the public may address the Workforce Development Board on items appearing on the agenda. The public may also address items of interest to the Workforce Development Board which are within the subject jurisdiction of the Board. However, the Workforce Development Board, in compliance with Government Code Section 54954.3(a) shall not take any action on any item not appearing on the agenda. Such items may be referred to staff or recommended for inclusion on a future agenda.

Persons wishing to address the Board must complete the Public Comment Form which may be obtained from the Clerk. Speakers are asked to limit their total presentation to a maximum of five minutes.

***** AMERICANS WITH DISABILITIES ACT *****

In accordance with the Americans with Disabilities Act, the San Joaquin County Workforce Development Board will make reasonable efforts to accommodate persons with qualified disabilities. If you require special accommodation, please contact Gloria Gamez at 468-3500 at least one day in advance of the meeting.

ADJOURNMENT

ACTION ITEM

APPROVAL OF THE AMENDED AMENDMENT TO THE
WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)
MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE
WORKFORCE DEVELOPMENT BOARD (WDB) AND THE WIOA
REQUIRED PARTNERS TO INCLUDE PHASE II
INFRASTRUCTURE FUNDING AGREEMENT

DATE: August 21, 2017

ACTION ITEM: 1

TO: Executive Committee

FROM: John M. Solis, Executive Director

SUBJECT: APPROVAL OF THE AMENDED AMENDMENT TO THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE WORKFORCE DEVELOPMENT BOARD (WDB) AND THE WIOA REQUIRED PARTNERS TO INCLUDE PHASE II INFRASTRUCTURE FUNDING AGREEMENT

IT IS RECOMMENDED:

1. That the Executive Committee acting on behalf of the WDB authorize the approval of the attached Amendment to the Memorandum of Understanding (MOU) to include Phase II Infrastructure Funding Agreement;
2. Authorize the Chairman to sign any documentation related to the execution of the MOU; and
3. Forward a recommendation to the San Joaquin County Board of Supervisors for final approval and execution.

REASONS FOR RECOMMENDATION:

On January 20, 2016, the State Employment Development Department (EDD), Workforce Services Division (WSD), released Directive WSD15-12 - WIOA Memorandums of Understanding. This Directive provided Local Workforce Development Boards (LWDB) with guidance on the development of the MOU, between the required partners and LWDB, that includes the coordination of services offered by the partners, the time lines for completion of the MOU Phases I and II, and a sample MOU for use by the LWDBs. In addition to the Directive, the State sponsored several MOU development training sessions for the WIOA Core Partners. In San Joaquin County, the core partners who attended the first MOU Phase I training in Sacramento, and the programs they represent are as follows:

- Workforce Development Board (WDB) representing the WIOA Title I – Adult, Dislocated Worker, and Youth programs;
- Stockton Unified School District representing the WIOA Title II – Adult Education and Literacy programs;
- EDD representing the WIOA Title III – Wagner-Peyser, Veterans, Trade Adjustment Assistance, and Unemployment Insurance programs;
- State Department of Vocational Rehabilitation representing the WIOA Title IV - Vocational Rehabilitation programs; and

- San Joaquin County Human Services Agency (HSA) representing Temporary Assistance for Needy Family (TANF)/CalWORKs programs.

The training sessions were held in several locations throughout the State during the month of February 2016, to ensure Local Workforce Development Areas (LWDA) received consistent information and guidance in support of the Directive. WDB staff also attended the training sessions as they helped to facilitate the development of the draft MOU, gathering the information from the required partners that are a partner to the agreement.

The WDB staff began working on the draft MOU in March 2016, with input from the Core Partners that attended the State's training sessions. The initial draft of the document was based on the sample MOU provided by the State in the Directive and highlighted at the training sessions. Beginning in early April 2016 and continuing through mid-May 2016, a series of working sessions with the required partners were held to: review the State's Directive and guidance; define the services offered by the partners; review the overall coordination of services offered by each partner; develop a referral process between partners; and jointly develop a final MOU based on the sample provided by the State. Representatives from all required partners participated in at least one of the working sessions. The final MOU development meeting was held on May 13, 2016 where the parties to the agreement finalized MOU Phase I.

On May 25, 2016, the WDB unanimously approved the Phase I of the MOU and recommended the document be submitted to the San Joaquin County Board of Supervisors (BOS) for approval and signature. On June 28, 2016, the BOS approved the Phase I MOU and the fully executed MOU was sent to the State Board.

On October 16, 2016, State EDD WSD, released Directive WSD16-09 - WIOA Phase II Memorandums of Understanding – Comprehensive America's Job Center of California (AJCC). The Directive provides guidance and establishes the procedures regarding WIOA Phase II MOU for AJCC locations. This policy applies to all LWDBs and AJCC required partners.

All Core Partners and several non-Core Partners attended an additional training session in Sacramento on October 25, 2016 which focused on the development of the Phase II MOU. Individual meetings with Core Partners took place during the months of October and November, 2016. The meetings further refined the commitments identified in the Phase I MOU. These on-going discussions have strengthened the interaction among AJCC partners and helped facilitate the finalization of the MOU Phase II document.

A meeting for all required partner agencies was held on January 25, 2017 and subsequent individual partner meetings took place between February and June 2017. During those meetings the partners discussed the requirements for participating in either the Comprehensive One-Stop/AJCC infrastructure, and/or the overall system costs. The partners that are not co-located agreed to obtain required information from their agencies in order to describe the other system costs required by the MOU.

Determining Benefit Received by Partners

Local Boards must first determine whether an AJCC partner is receiving benefit from the AJCC or system. If benefit is being received, the AJCC partner's proportionate share of infrastructure costs must be calculated in accordance with Uniform Guidance and based on a reasonable cost allocation methodology, whereby infrastructure costs are charged to each partner in proportion to their use of the AJCC(s). All costs must be allowable, reasonable, necessary, and allocable (WIOA Joint Final Rule Section 678.715).

Partners who are physically co-located in the AJCC(s) (full-time or part-time) are considered to receive a direct benefit that is allocable, therefore, they must contribute their proportionate share towards infrastructure costs. Partners who are not physically co-located in the AJCC may also be receiving benefit from the AJCC system. However, that benefit still has to be clearly allocable by way of reliable data and a cost methodology that demonstrates the partner's usage of and benefit from the center and its services.

Currently, there is not a statewide data tracking system that can provide accurate and reliable data for allocating the benefit received by non co-located partners, such as the number of referrals to and from the AJCC and/or usage of AJCC based services and usage of the comprehensive AJCCs. In order to remain in compliance with Uniform Guidance cost allocability rules, the requirement to contribute to infrastructure costs at this time only applies to those partners who are physically co-located in the job centers.

The state is in the process of implementing the requisite statewide data tracking system, and once such data are available, all non co-located partners who are receiving benefit from the job centers will also be required to contribute their proportionate share towards infrastructure costs. Consequently, in accordance with state Directive WSD16-09, the Phase II MOU must include an assurance from all non co-located partners that they agree to pay their proportionate share of infrastructure costs once sufficient data are available and the state can determine a methodology to assess cost.

However, it is important to note that non co-located partners are still required to contribute to other system costs based on their proportionate share of applicable career services as identified in the Phase I MOU, as well as any additional line items the Local Boards and AJCC partners agree to include in the other system costs budget.

At this time, only partners co-located in the Comprehensive AJCC, Stockton WorkNet Center, are required to enter into an Infrastructure Funding Agreement (IFA). Per State WSD 16-22 - WIOA Phase II MOUs – Affiliate and Specialized AJCCs, released June 14, 2017, partners co-located in an Affiliate AJCC will not be required to enter into an IFA until June 30, 2018.

Action Taken by Executive Committee:

On August 3, 2017, the Executive Committee, acting on behalf of the Workforce Development Board, met and approved the Amendment to the WIOA MOU (Phase II) between the WDB and the Required Partners including the Infrastructure and Other Systems Cost Funding Agreement.

Other System Costs, as specified in State Directive WSD 16-22, may be included if agreed upon by all parties. As final negotiations with the State EDD continued, agreement was not reached on our proposed Other System Costs for One-Stop Operator and Personnel that benefit the Comprehensive AJCC Stockton Center. This will continue to be a subject of negotiations over the next year and the MOU may be amended in the future. The State EDD has directed job service staff co-located in the comprehensive center not to include personnel related cost at this time, since it will require the negotiation of cost allocation methodology, requiring a thorough review of each position and more direction from the State Agency.

This does not impact the current EEDD budget.

ACTION TO BE TAKEN FOLLOWING APPROVAL:

- | | | |
|----|--|-------------------|
| 1. | Board of Supervisors Action | August 22, 2017 |
| 2. | Submission of the MOU Agreement to the State | September 1, 2017 |

ACTION TAKEN: APPROVED:_____ DISAPPROVED:_____ OTHER:_____

BY:_____ DATE:_____

MOTIONED BY:_____ SECONDED BY:_____

YES:_____

NO:_____