

Division of Workforce Development

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DWD ISSUANCE 11-00

SUBJECT: DWD Memorandum of Understanding (MOU) Guidelines

1. Purpose: To transmit DWD Memorandum of Understanding Guidelines for use in Missouri's One-Stop Career Center System.
2. Substance: The DWD Memorandum of Understanding Guidelines is intended as a tool to assist in the MOU development process, from conception through discussions, negotiations, writing, signing, implementation, and modifications.
3. Action: This information should be distributed to appropriate staff.
4. Contact: Questions or comments regarding this issuance should be directed to either Jerry Tharp (573-751-7281), Anita Henry (573-522-8619), or Clinton Flowers (573-526-8261), or to your assigned Regional Coordinator.
5. Cross/Historical Workforce Investment Act, Section 121 (c); Regulatory Authority CFR Part 662, Subpart C.

Tom Jones, Director

TJ/JT/AH/dp

Attachment

cc: WIA Local Contacts
John Cope
DWD Assistance Directors
DWD Central Office Managers



Memorandum of Understanding (MOU) Guidelines

Memorandum of Understanding

Local Guidelines

This document was reviewed by a committee composed of representatives of local Workforce Investment Areas, as well as the "partner" agencies, including Department of Elementary and Secondary Education, Division of Family Services, and the Division of Workforce Development. It is in compliance with Federal regulations and is consistent with State policy concerning Memoranda of Understanding for the Workforce Investment Act of 1998.

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Missouri Guidelines for the Development of Memoranda of Understanding (MOUs)

Introduction

Every Local Workforce Investment Board (LWIB) must initiate their Memorandum of Understanding (MOU) development process. It is required in order to meet the intent of Section 121(c)(1) and (2) of the Workforce Investment Act of 1998, and Workforce Investment Act Regulations, Part 662-Subpart C, *Memorandum of Understanding for the One Stop Delivery System*.

This technical guidance and framework has been developed to address the basic principles of the MOU requirement. The MOU provides the LWIB with an opportunity to ensure that all One-Stop partners are aware of, and accountable for, the operation and performance of the One-Stop Delivery System.

This document is divided into three main sections, with attachments. The first section addresses the MOU requirements under WIA, while the second section contains exemplary components to enhance the local system. Although these additional components are not specifically delineated under the law, LWIBs and One-Stop partners should strive to exceed the basic requirements in an effort to foster improved customer service and promote continuous improvement of a quality One-Stop Delivery System. Finally, the third section addresses other important considerations related to the MOU.

I. Basics of the One-Stop Memorandum of Understanding

As specified in Section 121 of the Workforce Investment Act and Part 662 - *Description of the One-Stop System under Title I of the Workforce Investment Act Regulations, Subpart C - Memorandum of Understanding for the One-Stop Delivery System*, the LWIB, with the agreement of the chief elected official, will develop and enter into an MOU between the LWIB and the One-Stop partners consistent with the following requirements:

A. Services to be provided through the One-Stop Delivery System.

Services include Core, Intensive, Training and other services that will be delivered to customers of the One-Stop system, as well as the services delivered at the local Missouri Career Center (at least one comprehensive physical location in the local area) and the services that will only be accessible through the One-Stop system. One-Stops are about SERVICES to the customers. Referring to your local WIA plan, **provide a detailed explanation of accessible services that will be provided.** MOUs must clearly list the services to be provided to the customers and specify those partners delivering the services.

Under WIA, **all partners are expected to participate proportionately in the delivery of services and costs of operating the One Stop system.** This new level of an integrated delivery of services and costs should be discussed in the MOU.

This section should identify the procedures for sharing information and reporting customer data. It should also include how the One Stop system will assure compliance

with MTEC's policy regarding accessibility. Attachment 22 of the State Plan, *Assuring Equal Access to Job Seekers with Disabilities in Missouri's One-Stops*, and 29 CFR, Part 37 (ensuring equal access), specify the requirements for assuring accessibility to customers with disabilities and other pertinent special populations within the local Workforce Investment area.

B. How the costs of such services and operating costs of the system will be funded.

Determine the cost of services, identify the method to be used to allocate the cost of services and operating costs, provide a detailed description of the payment system, and identify the cost-sharing method for all partners. The Division of Workforce Development's *Cost Allocation Plan Guidelines* can provide assistance on these issues. As previously mentioned, all One-Stop partners are expected to participate proportionately in the costs of the Career Center. In developing this information, it would seem beneficial to be more general than specific in this section to alleviate having to modify the MOU for minor changes. A cost allocation method should be an attachment to the MOU.

C. Methods for referral of individuals between the One-Stop Operator and the One-Stop partners, for the appropriate services and activities.

It is our preference as a State that these referrals are of "high value" to the client so they may get the services they need as quickly as possible. A "high value" referral would be immediate on-site access to the services of the appropriate partner. A "low value" referral would be a brochure or directions to another office.

The method of referral implies that there is a systematic approach to the referral of individuals needing One-Stop services. This systematic approach must be agreed upon by all of the partners and thoroughly explained in the MOU so all partners, One-Stop Operator and the LWIB are aware of the referral system. The referral system must be more than handing customers a brochure of those One-Stop partners not located at the Career Center. The referral system must always be to the advantage of the customer and include a follow-up contact to ensure the customer was provided service. The MOU must describe those services located at the One-Stop site, along with those services provided at alternative locations and thoroughly explain how the referral process will connect customers to the services. Keep in mind the One-Stop principle of "seamless delivery of services." (A sample referral form is included in Attachment 2.)

At the State level, the One-Stop Executive Team represents the Missouri Workforce Development System partners. Some of the partners' programs are illustrated in the following diagram. Each balloon depicts representative employment and training programs that are funded through the various agencies. **The diagram is for illustration purposes, only, and does not attempt to include all service providers.**

- WIA (WIA Title I)
- WP (Wagner-Peyser)
- Perkins (Carl Perkins Act)
- VR (Vocational Rehabilitation)
- AEL (Adult Education and Literacy)
- LWIB (Local Workforce Investment Board)
- WtW (Welfare-to-Work)
- UI (Unemployment Insurance)
- TA (Temporary Assistance)
- Higher Ed. (Comm. Colleges & Universities)

Before WIA



The primary purpose of the One-Stop System is to provide multiple services from many agencies at the same location to better serve job seekers and employers. The partners work together in a joint venture to determine customer needs and collaborate to provide a seamless delivery of customer-oriented services. The workforce development system focuses on universal access for all customers, integrated delivery of services eliminating duplication, customer choice and accountability.

Ideally, partners should strive to increase the degree to which they work together to serve clients. The partners would continue to exploit the opportunities afforded by the system to provide multiple services to clients in a seamless fashion. In turn, each client would receive an increasingly greater amount of the products offered by partner agencies as part of an integrated delivery system. **As this happens, the system will contain more "overlap", as indicated by this diagram.**

After WIA



This section should also include information pertaining to the intake, enrollment, and assessment processes -- Who will provide this service and how will the initial referral for services take place? Who will be the point of contact for the customer?

D. Duration of the Memorandum of Understanding and the procedures for amending it.

While the purpose of the One-Stop MOU is not to increase the administrative burden of the LWIB or the One-Stop partners, MOUs must be in place to clarify the operational procedures of the One-Stop systems. They can be used to determine that all One-Stop services are being delivered effectively, and all One-Stop partners are informed and knowledgeable about the One-Stop system.

The MOU can enhance the accountability and quality of the One-Stop system by describing the service and performance expected by the partners. Other pertinent information such as time frame for withdrawal, resolution process, and signatory process should be included in this section (see Attachment 3 for a list of the partners' authorized individuals who can sign the MOU). Therefore, it would seem prudent to review the terms of the MOU at least annually. **However, it may be amended more frequently.** It is recommended that the LWIB appoint a subcommittee to oversee the One-Stop system, its partners and effective delivery of services, including the MOU process.

When to amend the MOU:

Any significant change to the MOU will require modification of the local workforce investment plan. The conditions, procedures, and practical requirements for making this change are described in Division of Workforce Development Issuance 01-00, Change 1, February 22, 2001.

While the determination of whether or not the MOU will need to be changed is a matter of local discretion, a number of situations can be foreseen that would require an MOU amendment, including:

- A change in the major services to be provided;
- A change in the provider of services;
- A change in the method of cost allocation.

Again, local discretion should be used to determine whether the change is significant enough to warrant a change in the local MOU.

II. Memorandum of Understanding Exemplary Components

The following are essential components toward exceeding the basic requirements and initiating an exemplary and more effective MOU:

A. A narrative explanation of the One-Stop system's strategic vision for the local area.

An exemplary MOU would include a brief narrative explanation of the LWIBs vision of the One-Stop system, its partnerships and comprehensive site(s) and satellites, including what their Workforce Investment system is striving to achieve for their customers through their local partnership.

B. An outline of the One-Stop system's performance requirements and goals.

The MOU can be more than an agreement between the Local Board and the One-Stop partners. It is an opportunity to provide guidance and direction to the partners and customers of the One-Stop system. By including minimum levels of performance, the MOU becomes the vehicle through which partners will be able to jointly monitor its services against its stated goals and performance measures to promote continuous improvement. One of the WIA performance goals is to achieve mutually shared outcomes for those participants who receive services from multiple partners.

In addition to minimum levels of performance, local goals and objectives, the MOU should be the basis for a serious discussion on how the local partners will work together to meet federal performance requirements. WIA Title I-Workforce Investment Systems, the Carl D. Perkins Vocational and Applied Technology Act, and the Adult Education and Family Literacy Act (WIA Title II), each have their own negotiated federal performance standards.

Many of these standards are the same, or nearly the same, for each of the three federal programs. They are often referred to as three legs of a three-legged stool, which supports federal accountability. Note that other federal programs, such as Vocational Rehabilitation, also have performance standards. Entered employment, post-secondary education, individuals that retain employment or obtain a GED or credential are all areas where coordination among local partners can aid in attaining negotiated federal performance standards.

Further, Section 503 of the WIA authorizes incentive grants to states for incentive bonuses, if all three programs meet their negotiated federal performance goals. (See Attachment 5 for a comparison listing of the federal negotiated performance standards for these programs.)

C. A detailed description of the relationship between the One-Stop Operator and the One-Stop partners

The One-Stop Operator and One-Stop partners must work cooperatively to achieve the One-Stop strategic vision. The relationship between the One-Stop Operator and partners should be described in the MOU. The purpose is not to duplicate the local plan, but to provide clarity and promote understanding among the partners signing the MOU of their roles and responsibilities. This section should be specific regarding what service each partner brings to the Career Center, staff commitment (investors and contributors), sharing of resources, site management, goals and performance.

III. Other Important Considerations for the Memorandum of Understanding

A. Other Important WIA Agreements

There are several significant agreements that are critical to the success of the local Workforce Investment system. These agreements may include, but are not limited to the following:

- Chief Elected Official/Local Workforce Investment Board Agreement;
- Local Workforce Investment Board/One Stop Operator Agreement;
- Local Workforce Investment Board/Fiscal Agent Agreement;
- Local Workforce Investment Board/Youth Council Agreement.

The Local Workforce Investment Board can enter into one or more MOUs. It can be either a blanket or an individual agreement with each One-Stop partner as deemed necessary by the local Board.

B. Agreement of the Chief Elected Official(s)

The Workforce Investment Act prescribes in several places that "agreement of the Chief Elected Official(s) must be secured". The process of garnering agreement from the Chief Elected Official(s) is interpreted and acted upon in several ways. In some local areas, it may require the signature of the Chief Elected Officials, and in others it may require only that the Chief Elected Official(s) sign-off that they have seen and agree with the action.

The best method to achieve this agreement is to actually involve the Chief Elected Official(s) in the decision-making process. Although this method may involve additional time, the final agreement and informational exchange are beneficial to keeping the Chief Elected Official(s) informed and involved in the local Workforce Investment system.

C. Partners vs. Services

Here are three basic approaches, or styles, in developing the Memorandum of Understanding for the One-Stop Delivery System.

1. The MOU that focuses on the One-Stop "**customer**" and ensuring the services are available to meet participating partners' various customer groups;
2. The MOU that focuses on the One-Stop "**services**" delivered through the system by the various One-Stop partners; and
3. The MOU that focuses on the One-Stop "**partners**" providing the services delivered through the system.

All approaches, or styles, can be effective; it is more a personal and organizational preference. For some local areas, focusing the partners around the "services" -- core, intensive and training, is less threatening and more productive. But the same could be true of focusing on which "partners" will deliver the agreed upon services. Of course, any successful One-Stop system must focus on its customers -- identifying and exceeding their needs. In either case, the MOU must clearly identify the services delivered and each partner's contribution to the One-Stop system. This particular section could be part of the basic agreement, but is definitely necessary in an exemplary MOU.

D. Allocation of Costs

The issue of allocation of costs is critical to the success of the One-Stop system, especially as it relates to the comprehensive Career Center. Therefore, refer to DWD's *Cost Allocation Plan Guidelines* for more information.

E. Impasse Procedures

Local procedures must be developed for resolving MOU signatory issues when the process reaches an impasse. The Missouri State WIA Plan provides a means for resolution when local procedures have been exhausted. If an impasse occurs, the partner refusing to sign the MOU will be reported to the State level representative of that agency. The State-level representative will have the authority to override the decision of the local partner representative. Continued refusal of the agency to cooperate locally and at the State level will result in a referral of the impasse to the State One-Stop Executive Team. The One-Stop Executive Team will conduct an impartial hearing. If the impasse is not resolved as a result of this hearing, the Council will recommend to the Governor that the local agency representative not be a member of the local WIB.

F. Characteristics of an Effective MOU

There are common characteristics attributable to most successful and effective MOUs. While locals have the flexibility to develop agreements to meet the needs of their customers and partners, effective MOUs contain the following common characteristics:

- Relatively short in length
- Keep it simple - easily understood by all parties
- Clear and concise language (minimize legal language)
- Legible, readable, easy to follow format
- Use of charts/matrices reduces narrative and effectively illustrates pertinent information
- Include a glossary of local terms and acronyms to ensure all parties understand Workforce terminology

G. Other provisions, consistent with the requirements of WIA

There may be other pertinent provisions consistent with WIA requirements that a Local Workforce Investment Board determines to be appropriate to meet the needs of their partners and customers.

References

1. Workforce Investment Act of 1998
2. 20 CFR, Part 652 et al., Workforce Investment Act; Final Rules
3. *State of Missouri Strategic Five-Year State Workforce Investment Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, July 1, 2000 through June 30, 2005*
4. Division of Workforce Development Issuance 01-00, *Local Workforce Investment Act (WIA) Plan Modification Procedures*, as updated
5. Division of Workforce Development's *Cost Allocation Plan Guidelines*
6. Your local Workforce Investment Region's WIA Title I Five-Year Strategic Plan
7. Division of Workforce Development Issuance 03-00, *DWD Participant Activity Code Definitions*
8. *Missouri MOU Resource Guide*, located at www.ecodev.state.mo.us/mtec/index.htm

Attachments

1. Sample MOU
2. Sample Referral Form
3. Partners' Authorized Individuals to Sign the Local MOUs
4. State of Missouri MOU
5. Federal Accountability Standards
6. Glossary of Terms and Acronyms

SAMPLE MOU

DRAFT MOU FRAMEWORK

Note: This MOU framework has been included to illustrate the various components outlined in this guidance. Local boards can add, delete or modify these components to meet their specific needs.

Memorandum of Understanding for the ABC One-Stop Delivery System in WXYZ County/Local Workforce Investment Area

Introduction

This Memorandum of Understanding (MOU) is entered into in the spirit of cooperation and collaboration by the WXYZ Local Workforce Investment Board, hereafter referred to as "the LWIB" and the One-Stop Delivery System signatory partners, hereafter referred to as "the One-Stop partners." It is designed to describe how their various funding streams and resources will be utilized to better serve their mutual customers, both job seekers and employers, through an integrated system of service delivery operated at __ comprehensive sites and __ satellite sites, called the Career Center. It is understood that the development and implementation of these Centers will require mutual trust and teamwork between the One-Stop partnering agencies, all working together to accomplish the shared goals.

Strategic Vision for the One-Stop Delivery System

The purpose of the Career Center is to advance the economic wellbeing of this workforce investment area by developing and maintaining a quality workforce and by serving as the focal point for all local and regional workforce investment initiatives. This will be achieved through the delivery of high quality and integrated workforce investment, education, and economic development services for job seekers, incumbent workers, and employers.

Services to be provided through the One-Stop System

Approach #1 (example)

The following are the **agencies** that will form the One-Stop System, along with their various services and funding resources that each will bring to the operation:

Agencies	Services	Revenue Sources
DWD WIA Title I service provider County DFS	Intake, Job Search Assessment, Counseling, Training Intake, Counseling, Income Assistance/Child Care	Wagner-Peyser WIA Title I Food Stamp/TA

Approach #2 (example)

The following are the **services** that will be delivered through the One-Stop System, along with those agencies responsible for delivering those services and the various funding resources that each will bring to the operation:

Services	Agencies	Revenue Sources
Intake	DWD, WIA svc. provider, DFS, Housing, Authority, Probation Office	Wagner-Peyser, WIA Title I, TA, HUD, Justice
Assessment	WIA svc. provider, Vo-tech	WIA Title I, Perkins
Employment Counseling	DWD, WIA svc. provider, Veterans, Older Worker	Wagner-Peyser, WIA Title I, Title V
Job Search Training Child Care Transportation Income Support		

Note: A matrix on the services being delivered should provide as much detailed information as possible. More details can be included regarding funding arrangements between the various partnering agencies. It is likely that some of this information will be contained in the local plan.

Shared Funding of Services

It is agreed that the following program services and activities will be mutually funded by the One-Stop partnering agencies from the revenue sources identified below:

Services	Revenue Sources/Partnering Agency	Service Description	Shared Costs: In-Kind, Cash, Total	Agencies Sharing Costs
Core Services				
Intensive Services				
Training Services				

Note: The shared funding section of the MOU should stress the need for detailed information on the types of costs being shared, who will share the costs, and how these costs will be shared. This information should also be contained in the local plan.

Systematic Referral Process for Career Center Customers

It is agreed that the One-Stop Delivery System partners of this signed MOU will conduct referral for services in the following manner.

1. All customers referred for services will receive a written referral form with the date, time, and place of the appointment.
2. All appointments will be scheduled within three working days.
3. The individual making the appointment will follow-up within two working days of the scheduled appointment date.

One-Stop Delivery System Performance Criteria (Examples, only)

It is agreed that the One-Stop Delivery System will strive to achieve the following standard of quality service for its customers, employees, and partners.

All customers will receive:

1. Prompt and courteous service from the staff.
2. The service(s) designed to assist customers in achieving their educational and/or job placement goals.

All employees can expect:

1. To work in a safe and professional environment.
2. Receive the best tools to achieve the desired outcome for their customers.
3. To be fairly compensated for their services

All partners will:

1. Deliver high quality services through the Career Center.
2. Place a minimum of 70% of their customers in jobs with family sustaining wages.
3. Customers will be placed in jobs for a minimum of 180 days. [Sec. 136(b)(2)(A)]

Governance of the One-Stop Delivery System

The ultimate accountability and responsibility for the One-Stop System organizational processes, services, and accomplishments will rest with the LWIB, the One-Stop Operator and the One-Stop partners.

The LWIB's responsibilities will be to:

The One-Stop Operator's responsibilities will be to:

Duration and Modification of the MOU

The One-Stop partners agree that the terms of this MOU will take effect as of _____, and will continue in effect until _____ or such time as any partner or partners will modify, extend, or terminate this MOU. Amendments to this MOU maybe made upon consensus of the partners, 30 days prior to the effective date of the change.

Termination

The Local Board may terminate any practice related to failure to perform the provisions or requirements of this MOU, and it may proceed with the work required under effected provision in any manner deemed effective by the partners, or proper by the State.

With 30 days notice to the other parties, a party to this agreement may notify the others of termination, such that another representative of the same partner entity may be named.

Signature Page

The MOU should conclude with a signature page for all One-Stop partners to sign to confirm their acceptance of its terms by their signature.

Signature, Title, Agency, Date

Signature, Title, Agency, Date

CEO, Signature, Title, Date

LWIB Signature Title Date

SAMPLE REFERRAL FORM

The following referral form was developed by the Northeast Workforce Investment Region.
The first page contains the instructions for filling out the referral form on the following page.

Referral Procedures

1. The referral form, while developed primarily for the Welfare to Work program, may be submitted by any organization, for any and all types of services available at the Career Center. The referral form may also be used for cross referrals by other Welfare to Work partner agencies as desired.
 2. Career Center staff shall provide local DFS and CSE offices with a supply of three-part referral forms.
 3. Career Center staff shall supply other organizations with a supply of referral forms (or a master copy from which to copy from) upon request.
 4. The referring agency shall use the 'Comments' section to report pertinent information regarding the referral, such as:
 - Other agencies from whom the customer is receiving services
 - Other agencies to whom the customer is being referred for services
 - If a DFS referral, whether or not the customer has been sanctioned, or faces impending sanctions.
 - If a CSE referral, whether or not the customer is facing a court ordered time limit in which to find employment
 - If a CSE referral, whether or not the customer has other restrictions (no out of state travel etc.) which would have a bearing on the services provided.
 5. The referring agency shall indicate by checkmark any known characteristics and/or barriers to employment that apply to the applicant.
 6. If documentation of the barriers is available, (long-term welfare recipient, poor work history etc.) then the referring agency should check the 'verified' box next to the appropriate item, and, whenever possible, attach copies of the documentation to the referral form.
 7. *Upon receipt of the referral form, Career Center staff will send a letter inviting the customer to the next scheduled orientation session. This letter will be sent within 5 days of the date of receipt of the referral form. A copy of the letter will be sent to the referring agency.
 8. Whenever possible, Career Center staff will follow-up with a phone call to the customer to verify receipt of the appointment letter.
 9. If it becomes necessary to change the appointment date, Career Center staff will automatically inform DFS and/or CSE staff as appropriate. Staff from other agencies will be notified of changes in appointment schedules upon request.
 10. Career Center staff will complete the feedback section of the referral form and send a copy back to the referring agency within 5 days after the scheduled orientation date.
 11. When an individual fails to attend a scheduled orientation, Career Center staff will make a minimum of two additional attempts to get the person to attend an orientation session. DFS and/or CSE staff will be kept informed about the number of remaining contacts to be made.
 12. Those who fail to respond to the first three contact attempts will, so long as they remain in the potential applicant pool as defined by DFS and/or CSE, be contacted at least once per quarter.
- *This section does not apply to CSE referrals when the local CSE staff send out the appointment letters themselves.

Customer Referral

CUSTOMER INFORMATION					
Name:			Date:		
Social Security No:			DCN:		
Address:			DOB:		
			Phone:		
REFERRING AGENCY					
Name:					
Address:					
Phone:					
Contact Person:					
AGENCY/ORGANIZATION BEING REFERRED TO					
Name:					
Address:					
Phone:			Contact Person:		
Comments:					
REFERRAL INFORMATION Check all that apply to above named individual. If available, attach documentation.					
✓ all that apply	✓ if agency has verified		✓ all that apply	✓ if agency has verified	
		High school dropout			Receiving substance abuse treatment
		Welfare recipient			Offender (felony conviction)
		Long term welfare recipient (30 months)			Parenting/pregnant youth (age 16-21)
		Food stamp recipient			*Poor work history
		Individual with a disability			Non-custodial parent (of child receiving TANF)
		**Intergenerational poverty			Lack of health insurance
		Reading or math skills below 8 th grade			Single, never married
* Has not worked at least 13 consecutive weeks in the past 12 months in full-time (30 or more weekly hours), unsubsidized employment.					

RESULTS OF REFERRAL	
Completed By:	Date:

PARTNERS' AUTHORIZED INDIVIDUALS TO SIGN THE LOCAL MOU

WORKFORCE INVESTMENT ACT PARTNER	AUTHORIZED SIGNATORY	SOURCE OF AUTHORITY RESPONSE
<i>Department of Economic Development- Division of Workforce Development</i>		Tom Jones, Director, Division of Workforce Development
WIA Title I	WIB Chair, CLEO, WIB Staff	
Wagoner-Peyser	Local DWD Regional Managers	
DVOP/LVER*	Local DWD Regional Managers	
TAA/NAFTA*	Local DWD Regional Managers	
WtW (Welfare to Work) (Formula Grants)	WIB Chair, CLEO, WIB Staff	
WtW (15% State Discretionary Funds)	The authority is the person authorized to sign the funding stream grant application at the local level	
CDBG (Community Development Block Grant)	May involve local regional DED staff or others, dependent upon specific circumstances	
HUD (Housing and Urban Development)	May involve local regional DED staff or others, dependent upon specific circumstances	
Community Development	May involve local regional DED staff or others, dependent upon specific circumstances	
Migrant/Seasonal Farmworker	The local field representative for Resources for Missouri, Inc. (RMI); call 1-800-234-4971 to verify contact	Lynn Hatfield, RMI Director
INA (Immigration and Naturalization Act)	Local DWD Regional Managers (may involve others, dependent upon specific circumstances)	
Job Corps	Local Job Corps Center Directors	Bev Kelsay
Youth Opportunity Grants	The authority is the person authorized to sign the funding stream grant application at the local level	Bev Kelsay
<i>Department of Elementary and Secondary Education</i>		
WIA Title II	The authority is the person authorized to sign the funding stream grant application at the local level	Don Eisinger
Adult Education and Literacy Act	The same as WIA Title II	
Carl D. Perkins Vocational and Applied Technology Education Act	The same as WIA Title II	
Vocational Rehabilitation Services	VR District Supervisor for “in kind” expenditures for the rehabilitation of clients	Ron Vessell
National Community Service Trust Act	The authority is the person authorized to sign as the local recipient of Learn and Serve America funds	Don Eisinger

PARTNERS' AUTHORIZED INDIVIDUALS TO SIGN THE LOCAL MOU
(Continued)

WORKFORCE INVESTMENT ACT PARTNER	AUTHORIZED SIGNATORY	SOURCE OF AUTHORITY RESPONSE
<i>Department of Social Services- Division of Family Services (DFS)</i>		Nancy Zumbahl
TA (Temporary Assistance; formerly TANF)	DFS Welfare Reform Coordinator or DFS County Supervisor for "in kind" services only; Denise Cross for cash allocation and transaction	
Title V of Older Americans Act	Various staff, dependent upon circumstances	
Rehabilitation Services for the Blind (RSB)	RSB District Supervisor	Sally Howard
Food Stamp Program	Same as for TA	
Parent's Fair Share	Division of Child Support Enforcement Director (submit through Program Manager, Dave Damico)	Dave Damico
<i>Department of Labor and Industrial Relations- Division of Employment Security</i>	Catherine Leapheart, Department Director	Catherine Leapheart
Unemployment Insurance Services		
<i>Department of Higher Education</i>	Various staff levels, dependent upon the institution and circumstances	John Wittstruck
Post-Secondary Education		
State and Federal Student Financial Aid Programs		
Title IV of the Higher Education Act		
Proprietary School Certification		
<i>Local Representatives</i>	Case by case basis of determination	
Community Services Block Grant (SCBG)	Local Community Action Agency Directors	

*DVOP+Disabled Veteran Outreach Program; LVER=Local Veterans' Employment Representative; TAA=Trade Adjustment Assistance; NAFTA=North American Free Trade Agreement-Transition Adjustment Assistance

STATE OF MISSOURI MOU
MEMORANDUM OF UNDERSTANDING BETWEEN
THE WORKFORCE DEVELOPMENT SYSTEM PARTNERS

The MISSOURI TRAINING AND EMPLOYMENT COUNCIL (MTEC) is appointed by the Governor to serve as the State Workforce Investment Board under the Workforce Investment Act of 1998. MTEC provides guidance and policy oversight for the state's workforce development system. MTEC is responsible for creating an environment to support and enhance the delivery of services to local One-Stop partners.

The MTEC has designated the One-Stop Executive Team as a special advisory Committee to MTEC. The One-Stop Executive Team will provide MTEC with information on the development and implementation of policies at the state level such as administrative rules, procedures, and state and federal laws that impact the state's workforce development system. The One-Stop Executive Team will also provide information and guidance on resources used within the system and assist in identifying categories of Local Workforce Investment Board (LWIB) representation. The One-Stop Executive Team shall identify and address problems in the delivery of services through the local one-stop system. The One-Stop Executive Team will meet every other month for the purpose of continuing the integration of One-Stop services through joint state planning and providing technical assistance at regional and local levels that will result in a streamlined and efficient workforce development system.

As other state level One-Stop Executive Team members are identified, they will be included on the team to develop policy issues, identify resources, and provide and disseminate information. By-laws and operational procedures will be developed by the One-Stop Executive Team to guide the functions of the One-Stop Executive Team

The One-Stop Executive Team and their participating services are as follows:

Department of Economic Development (Division of Workforce Development, Community Development)

Workforce Investment Act Title I, Wagner-Peyser, DVOP/LVER, TAA/NAFTA, WtW, CDBG, HUD, Community Development, Migrant and Seasonal Farm Workers, INA, Job Corps, Youth Opportunity Grants, National Community Service Trust Act, WOTC/WtW Employer Incentives

Department of Elementary and Secondary Education

WIA Title II, Adult Education and Literacy Act, Carl D. Perkins Vocational and Applied Technology Education Act, Vocational Rehabilitation Services, National Community Service Trust Act.

Department of Social Services (Division of Aging, Division of Family Services, Division of Child Support Enforcement),

TANF, Title V of Older Americans Act, Rehabilitation Services for the Blind, Food Stamp, Parents Fair Share

Department of Labor and Industrial Relations (Division of Employment Security)

Unemployment Insurance Services

Department of Higher Education

Post Secondary Education, State & Federal Student Financial Aid Programs, Title IV of the Higher Education Act, Proprietary School Certification

Local Representatives

Local Workforce Investment Boards

ONE-STOP EXECUTIVE TEAM RESPONSIBILITIES TO MTEC ARE TO:

- 1) Provide an environment in which state agencies support a market-driven workforce preparation system, developed locally, that has clear goals and objectives and is accountable to customers;
- 2) Prepare customers for lifelong skill development and promote continuous learning;
- 3) Establish a collaborative relationship between the state One-Stop Executive Team members to fulfill their responsibilities and obligations for planning and implementing the Workforce Investment Act of 1998;
- 4) Support a performance accountability system directed toward the customer that will benefit the entire workforce development (one-stop) system;
- 5) Work together to develop common or comparable definitions that will assist partner agencies in achieving their performance goals individually and as a team while providing seamless service to all customers;
- 6) Serve individuals with disabilities and assist them to find employment that is consistent with their capacities and abilities as described in Title IV of the Workforce Investment Act, The Rehabilitation Act as amended.
- 7) Annually develop recommendations for continued funding to maintain and institutionalize the One-Stop system, including infrastructure, maintenance and upgrade of computer hardware, co-location, and local staff (where applicable) of the Partner Agencies. Recommendations will include redirection of core dollars - consistent with federal laws and regulations - from state agency budgets, sources of additional funds, discretionary grants, local resources and general revenue requests. An annual meeting between the Office of Administration and the One-Stop Executive Team members will be held no later than August 15 of each year to develop these recommendations. The staff of MTEC will convene and facilitate the meeting; and
- 8) Provide appropriate and necessary staff (where applicable) to support Division of Workforce Development staff assigned to support the operation of the Missouri Training and Employment Council (MTEC). Support will consist of committee staffing, research and other duties, as required, to conduct the business and provide partner information that will allow for proper decision making by the Council. The staff supporting the operation of MTEC will also report activities, quarterly outcomes of services, financial status and any new legislative changes that occur at a federal, state and/or local level.
- 9) Support the diversity of individuals with disabilities, racial, ethnic and cultural diversity found in the state's workforce investment system.

ONE-STOP EXECUTIVE TEAM MEMBER RESPONSIBILITIES TO THE LOCAL ONE-STOP SYSTEM ARE TO:

- 1) Provide a framework for development and support of the local-level Memorandum of Understanding (MOU);
- 2) Provide technical assistance to Local Workforce Investment Boards (LWIB) who experience impasse situations if and when they occur;
- 3) Provide core, intensive and training services (where applicable) through the One-Stop Career Center System at the local level either directly by the One-Stop Executive Team member agency or through allocation of funds to local agencies;
- 4) Share in the delivery of, and encourage local One-Stop system partners to use federal, state, regional or local funds to operate the One-Stop system. The cost of operation will be determined by an allowable allocation method in compliance with Office of Management and Budget (OMB) circulars such as: direct charges, position charges, space percentages or studies of expenditures. These costs and corresponding resources/or services will be determined through negotiation at the local level in compliance with state and federal guidance. One-Stop partners providing services through electronic means will explain how they will contribute in the delivery of service and operating costs of the one-stop system;
- 5) Support co-location of services;
- 6) Utilize a systematic approach for referrals to address the individual needs of all customers. Where co-location is not available, referrals will be made to alternative sites and follow-up conducted to ensure the customer was provided appropriate service. The one-stop partners, one-stop operator, and LWIB must be aware of and agree to the referral system as developed through the MOU;
- 7) Make recommendations to Local Elected Officials (LEOs) on LWIB membership categories, provide guidance to local constituents on procedures of who and how to nominate potential LWIB members, who the members represent, and what their roles and responsibilities are to those they represent; and
- 8) Provide Labor Market Information, research information, consumer information, performance and core indicators to ensure a positive outcome for the customer. Such information will enable the one-stop offices to provide customers with timely service and accurate information about local, state, and national labor markets.

DURATION:

This agreement will begin March 14, 2000 and continue until all One-Stop Executive Team members decide in writing to cancel the terms of the MOU. It is amendable at any time by any partner. Before an amendment is accepted, it must be submitted in writing, reviewed and signed by all One-Stop Executive Team members within 60 days.

If a required One-Stop Executive Team member refuses to sign the amended MOU creating an impasse, and mediation or negotiation fail to resolve the issue, the impasse will be reported to MTEC for action. The Governor will be notified of any action that MTEC recommends. All efforts to resolve the conflict will be documented and included in the reports and original MOU.

SIGNATORIES: (signatures are on file)

Department of Economic Development
Division of Workforce Development

Department of Elementary and Secondary
Education, Division of Vocational and Adult
Education

Department of Elementary and Secondary
Education, Division of Vocational Rehabilitation

Department of Social Services

Department of Labor and Industrial Relations
Division of Employment Security

Department for Higher Education

Local Workforce Investment Board

Local Workforce Investment Board

FEDERAL ACCOUNTABILITY STANDARDS

Workforce Investment Act Title I	Adult Education and Family Literacy	Carl Perkins	Vocational Rehabilitation
Adult-Entered Employment Rate	Movement from one level of Adult Education and Literacy to the next level—6 standards	Academic Attainment Secondary Postsecondary	Number achieving employment compared to prior period
Adult-Employment Retention Rate	Movement from one level of English as a Second Language to the next level—6 standards	Vocational and Technical Skill Attainment Secondary Postsecondary	Percent achieving employment after receiving services
Adult Earnings Change in Six Months	Placement in Postsecondary Education or Training	Completion Secondary Postsecondary	Percent achieving competitive employment outcomes
Adult Employment and Credential Rate	Placement in Unsubsidized Employment	Proficiency with High School Diploma Secondary	Percent of individuals with significant disabilities achieving competitive employment outcomes
Dislocated Worker-Entered Employment Rate	Retention or Job Advancement	Placement Secondary Postsecondary	Percent of individuals with significant disabilities achieving competitive employment outcomes
Dislocated Worker-Employment Retention Rate	High School Completion	Retention Postsecondary	Of all the individuals exiting the VR program in competitive employment, the difference in the percent of individuals reporting income as their primary source of support and the percentage of those at application that report income as their primary source of support

FEDERAL ACCOUNTABILITY STANDARDS

(Continued)

Workforce Investment Act Title I	Adult Education and Family Literacy	Carl Perkins	Vocational Rehabilitation
Dislocated Worker-Earning Replacement Rate		Non-traditional Participation Secondary Postsecondary	The service rate for all individuals with minority backgrounds as a ratio to the service rate for all non- minority individuals with disabilities
Dislocated Worker-Employment and Credential Rate		Non-traditional Completion Secondary Postsecondary	
Older Youth- Entered Employment Rate			
Older Youth- Employment Retention Rate			
Older Youth- Earnings Change in Six Months			
Older Youth- Credential Rate			
Younger Youth- Skill Attainment Rate			
Younger Youth- Diploma or Equivalent Attainment Rate			
Younger Youth- Retention Rate			
Participant Customer Satisfaction Employer Customer Satisfaction			

GLOSSARY OF TERMS AND ACRONYMS

(Also, reference DWD Issuance 03-00 for further definitions.)

- AEL:** Adult Education and Literacy Act. The purpose of this act is to create a partnership among the federal government, states, and localities to provide, on a voluntary basis, adult education and literacy services, in order to-
- 1) assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency;
 - 2) assist adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children; and
 - 3) assist adults in the completion of a secondary school education.
- CDBG:** Community Development Block Grant
- CSE:** Child Support Enforcement; under the Missouri Department of Social Services
- DFS:** Division of Family Services; under the Missouri Department of Social Services
- DOL:** United States Department of Labor
- DWD:** Division of Workforce Development; under the Department of Economic Development; responsible for administering federal and state funds granted to provide training and employment opportunities, which increase the earned income for Missouri's economically-disadvantaged, unemployed and underemployed citizens.
- ETA:** Employment and Training Administration; under the U.S. Department of Labor
- LWIB:** Local Workforce Investment Board
- MISSOURI CAREER CENTER:** (Formerly "One-Stop Center") A single facility which provides full-time access to core, intensive, and training services on site, and has, at a minimum, the programs and services of the federal and state mandated partners.
- MOU:** Memorandum of Understanding
- MTEC:** Missouri Training and Employment Council is the State Workforce Investment Board under the Workforce Investment Act of 1998. This council is responsible for developing a Statewide Training and Employment Plan and for promoting strategies to maximize federal and state resources which provide workforce development services.

ONE-STOP

-AFFILIATE (SATELLITE) SITE: A single facility that provides less than full-time access to core and intensive services, provides information, and has less than the federal and state mandated partners.

-CENTER: Now known as "Missouri Career Center."

-PARTNER: An agency/organization that participates in the delivery of products and services through the workforce investment system.

-SYSTEM: A system under which entities responsible for administering separate workforce investment, educational, and other human resource programs and funding streams (referred to as "One Stop Partners") collaborate to create a seamless delivery that will enhance access to the programs' services and improve long-term employment outcomes for individuals receiving assistance.

PARENTS' FAIR SHARE: Operated by the Division of Child Support Enforcement, this is a noncustodial parent program that helps participants gain self-sufficiency. The program includes assessments and referrals for educational and employment needs, and supportive services through a network of community resources.

TA: Temporary Assistance program operated by the Division of Family Services; formerly "Temporary Assistance for Needy Families." This program makes cash grants on behalf of needy children who have been deprived of parental support and who are living in homes maintained by parents or close relatives. Temporary assistance is provided for a period of time, up to five years, while the adult transitions to self-sufficiency. The program provides education, skill training, community work experience, and employment assistance to prepare individuals for employment, enabling children to be cared for in their own homes.

VR: Vocational Rehabilitation under the Missouri Department of Elementary and Secondary Education. This division provides specialized services to adult citizens with disabilities to help them achieve employment and independence.

WIA: Workforce Investment Act of 1998; replaced the Job Training Partnership Act (JTPA).

WP: Wagner-Peyser Act, as amended in 1998

WtW: Welfare-to-Work program



MISSOURI
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Missouri
MOU
Resource Guide

September 2001

Missouri MOU Resource Guide

[NOTE: This document is based on the State of Oklahoma's MOU Toolkit. Missouri staff have edited the document to reflect Missouri's policies and guidelines. Also, this document accompanies Missouri's "Memorandum of Understanding (MOU) Guidelines."]

Introduction

As Missouri builds an integrated, high quality workforce development system to better serve business and job seekers, one of the crucial challenges will be the development and refinement of Memoranda of Understanding (MOUs). Developing and refining local MOUs can be a complicated process where parties might be pulled in different directions by competing philosophical, legal, and financial considerations. However, there are logical steps to be taken, and a number of valuable resources, to make the process manageable. This resource guide provides help in understanding the issues involved and a structure for completing this complex task.

This guide is organized into six steps. It begins with an explanation of a Memorandum of Understanding and discussion of negotiating strategies. Step 2 is about getting the appropriate players to the table discussing service to customers. Step 3 is about making decisions about your local workforce development system and its services. Step 4 addresses sharing customers with the system and other partner programs. Only after there is agreement about the system and customers, do you address cost issues in Step 5. In Step 6 the work is not completed as the system and services will need to be continuously improved to meet changing customer expectations.

Step 1: GET PREPARED

We suggest you start by gathering information and trying to bring this exercise into focus. Review this guide and take advantage of the various resources listed in the last section.

How do we negotiate the MOU?

The MOU describes the local workforce development system design and documents the decisions that have already been made about what services will be delivered, by whom, how and at what cost. Therefore, much of the MOU content has already been determined when it is time to develop the document. However, local areas must still sort out the details of how the local system design decisions will play out for each partner.

The following suggestions will support the discussions and negotiations that must take place to reach agreement on each partner's commitment to the system.

◆ **Don't rush into negotiations; prepare**

Before actual negotiation of the MOU begins, discuss the value of collaborative approaches to negotiation and establish some agreements about the negotiation process that everyone can support. Some examples:

- ◆ Clearly explain what is important to you.
- ◆ Understand what is important to others.
- ◆ Focus on issues, not people.
- ◆ Emphasize win-win solutions.
- ◆ Focus on interests not positions.
- ◆ Generate a variety of possibilities before deciding what to do.
- ◆ Agree on objective standards for the outcome.

◆ **Think through what kind of negotiator you want to be.**

Assess whether your style is accommodating, competing or win-win. It might be helpful to discuss these styles with your negotiating partners at the first meeting in which you are establishing agreements about the process.

◆ **Focus on your own and others' interests throughout negotiations.**

Look for win-win solutions, ones that meet everyone's interests to the greatest extent possible. A critical element in negotiation is to come to understand the other party's underlying interest and needs. By probing and exchanging information you can find the commonalties and minimize the differences that seem to be evident.

◆ **Look for creative solutions while negotiating.**

If an agreeable solution does not present itself quickly, use techniques to think in new ways about partners' contributions and responsibilities and to help advance the negotiating process. For example, try:

- ◆ Expanding the pie - create additional resources so that all sides can obtain their major goals
- ◆ Compensating - One side gets what it wants and others are compensated on other issues
- ◆ Log-rolling - All sides make concessions on low-priority issues in exchange for concession on issues any side may value more highly
- ◆ Cost cutting - One side gets what it wants and costs to the others are reduced or eliminated
- ◆ Bridging - No one gets his or her initial demands, but a new option that satisfies the major interests of all is developed.

◆ **Try focusing on interests rather than positions.**

The following are examples of focusing on interests vs. taking positions in an MOU setting:

Position: Our agency doesn't have any extra money to put toward rent here. If we can't be sponsored by one of the bigger operations, we may not be able to participate.

Interests: We want to be full partners, but we have a very small operation budget, only \$335,000 annually, and it's already programmed to support our services and facility across town. Can we try to come up with a creative way to contribute to the local system and still meet our other obligations so we don't put our grants in jeopardy?

This example explains the need, expresses value placed on the partnership, lays out confidential information in a trusting way and offers a pathway to an open-ended solution.

◆ **Avoiding Impasse**

The following are some suggestions that might help partners to avoid impasse:

- ◆ Explain the process.
- ◆ Indicate that there are consequences for failing to agree.
- ◆ Acknowledge the difficulty of the task and the need for good negotiating skills.
- ◆ Select a mediator from the community whom all will respect.
- ◆ Look for a community dispute resolution service and line it up ahead of time.
- ◆ Agree on consensus technique.
- ◆ Get consensus training.

◆ **Educate yourself about negotiating!**

Here are a few of the many negotiation skills resources available:

- ◆ Fisher, Roger and Ury, William, Getting to Yes.
- ◆ Gourlay, R., Negotiations and Bargaining.
- ◆ Lan, D.A. and Sebenius, The Manager as Negotiator.

What is the best forum for negotiating MOUs?

The development of MOUs concerns One Stop partners at several levels and requires them to serve a number of roles. By virtue of their presence on the WIB, partners play a governance role, focusing on policy. By virtue of their responsibility for system and program operation, they plan a day-to-day operational role focusing on service delivery. For partners to perform both roles effectively, they need to clearly understand the nature of these roles and have the appropriate context in which to exercise them. The WIB is a governance body where policy decisions are made. It is not a partnership and should not serve as the venue for working through partnership issues. These issues, such as those pertaining to development of the MOU, may need to be addressed in a separate setting.

While it is not required by law it may be helpful to form a separate partner forum and recommend that local partners work out as many MOU issues as possible in a "partners' table" setting, prior to their being taken up by the WIB.

Who should lead this effort?

MOUs are to be developed by WIBs and One Stop partners, but who should convene the partners to begin negotiations? Obviously the WIB or their staff could facilitate this process. Perhaps the Chief

Local Elected Official (CLEO), or the existing local One Stop consortium could convene the partners. The key is not who does it, but recognizing that any convener other than the WIB is not in charge. In fact, you probably can't make this work if any one partner acts like they are in charge.

When must we complete this exercise?

WIA activities began in Missouri on July 1, 2000. Local WIB areas submitted plans and MOUs that were subsequently approved by the state. Some MOUs may have been hastily put together, customer groups may have changed, financial commitments may need to be re-evaluated, or goals and performance information may now be clearer. While the process has begun it is not over. Step 7 of the Toolkit addresses the need to continuously improve performance and accountability. The MOU is a tool to put commitments in writing.

Step 2: DETERMINE WHO IS GOING TO PARTICIPATE IN THIS EXERCISE

The Workforce Investment Act (WIA) requires that the local organizations responsible for specified federal programs must enter into MOUs. These organizations are known as the required partners. The logical first step in developing MOUs, therefore, is to determine who the required partners are in your local area. The required partner is the grant recipient, administrative entity or organization responsible for administering the funds of the following specified programs:

- Workforce Investment Act Title I programs
- National programs if located within workforce investment area--
- ♦ Native American programs
- ♦ Migrant and seasonal farm worker programs
- ♦ Veteran's workforce investment programs
- ♦ Youth opportunity grants
- ♦ Job Corps
- ♦ National emergency grants
- ♦ Employment Services
- ♦ Unemployment Compensation
- ♦ Veterans Employment Service
- ♦ Trade Adjustment Assistance and NAFTA-TAA
- ♦ Adult Education and Literacy
- ♦ Welfare-to-Work grant program
- ♦ Rehabilitation Services
- ♦ Community Service Employment for Older Americans
- ♦ Post-secondary Vocational Education
- ♦ Community Services Block Grants employment and training activities
- ♦ Housing and Urban Development employment and training activities
- ♦ Welfare Cash Assistance (TANF)
- ♦ Food Stamps employment and training activities

The identity of many organizations responsible for each of the above programs is generally locally known. However, there are some programs that may not be offered in every local area or are administered by an entity that may not be self-evident. For example, Job Corps programs are not available in all local areas. The same may be true for Native American, Migrant Worker and U.S. Department of Housing and Urban Development employment and training programs. Lists of contact persons for some of these programs can be obtained from the Division of Workforce Development.

It should be noted that, where a given national program is not present, WIBs are expected to make sure that customers of these programs have access to services through the local workforce development system.

Optional partners

In addition to the required partners, the local Workforce Investment Board has the discretion to name other entities as One Stop partners, based on local needs and resources. It should be noted that all entities designated as One Stop partners assume the same rights and responsibilities as required partners.

What are the rights and responsibilities of One Stop Partners?

All One Stop partners (required or optional) must commit to all of the following responsibilities:

Make available to participants through the Missouri Career Centers (MCCs) the core Services that are applicable to the partner's programs;

Use a portion of funds made available to the partner's program, to the extent not inconsistent with Federal law authorizing the partner's program, to create and maintain the Missouri Career Centers and provide core services;

Enter into an MOU with the WIB concerning the operation of the One Stop system, including: descriptions of services; how the costs of the identified services and the operation costs of the system will be funded; and methods of referring customers;

Participate in the operation of the One Stop system consistent with the terms of the MOU and requirements of authorizing laws;

Serve as a representative on the WIB.

The Local WIBs are focused on business leaders aligning resources in a local workforce development system and other issues related to service delivery within a local labor market.

The WIA requires that WIB members representing One Stop partner "shall be individuals with optimum policymaking authority within the organizations, agencies, or entities." As a result, the One Stop partner's WIB representative is their designee for negotiating the local MOU.

Why should the partners want to participate?

First, it is important to understand that it doesn't cost a partner anything but time and energy to sit down with the other partners to discuss building a customer focused service delivery system. Hopefully all partners will be willing to sit down and negotiate in good faith an integrated service delivery system focused on customer needs. It is only after such system building and service delivery decisions have been made that costs can be determined.

Second, assuming the Act isn't sufficient to entice or force all program operators to contribute their proportionate share for the desired system, why should they? Marketing rules should be applied; decisions are based on cost and value. What are they going to get (for their program and/or customers) and what is the cost?

Will participation aid in meeting federal performance standards? You must have at least a perception that the value is greater than the cost to make this sale.

STEP 3: DECIDE WHAT YOUR LOCAL SYSTEM WILL LOOK LIKE

A detailed explanation of the services that will be delivered to customers of the workforce development system must be provided, including the services delivered at the full-service Career Center and the services that will only be accessible through the local workforce development system. MOUs must clearly list the services to be provided to the customers and specify those partners delivering the services. All partner program services must be accessible through the full-service Career Center.

Since the MOU is intended to describe and detail how partners will contribute to the establishment and maintenance of the local system, it is important that the local WIB and the One Stop partners to the MOU share a collective vision for that system and have a common understanding as to the scope and purpose of the system. This is an important first step that must be taken before service delivery systems and partner roles and responsibilities can be further developed.

Workforce development refers to the preparation of people for work, now and in the future; the capacity of the local labor market to prepare those people for work; and the processes whereby employers and job seekers find each other. Workforce development in these terms encompasses much more than the specialized agencies and programs financed by federal or state government. This wider sense of workforce development takes into account the often over-looked employee development undertaken internally by businesses and by private staffing agencies. The term recognizes the presence of federal job training and placement initiatives while discerning their limited scale in light of the total worker preparation efforts within a local labor market.

Currently there are a variety of federally funded workforce development programs but no cohesive workforce development system. Each program is independent with its own planning cycle, definitions, outcome measures, etc., rather than being interrelated and aligned to achieve common objectives. By aligning partners in a systematic way more people can be served, diverse needs can be met; and customers, service standards, and resources can be shared. System components need to relate to each other and to other systems; multiple programs should have a single customer interface. Clear customer pathways should exist from one service to another with mutual accountability for system performance.

This is the federal definition of the One Stop (workforce development) delivery system:

A system under which entities responsible for administering separate workforce investment, education, and other human resource programs and funding streams (One Stop partners) collaborate to create a seamless system of service delivery that will enhance access to the programs' services and improve long-term employment outcomes for individuals receiving assistance.

This new service delivery system is conceptualized as a joint venture where a set of core services are provided in common by all the required One Stop partners, at a minimum, with oversight and governance by the Local WIB. The system is not designed to reduce the uniqueness of other products/services potentially available from the various joint venture partners.

Each program partner maintains its autonomy and unique set of services, creates a joint venture with system services, and links them into a local workforce development system to serve all Missourians in an integrated, customer-focused setting (see diagram on page 4 of Missouri's *Memorandum of Understanding (MOU) Guidelines*).

What is service mapping and can it help?

Given that there is currently no one agency/funding stream that can provide **all** services and products necessary to meet an individual's needs, and there is no **one** agency that can provide enough services and products to meet the needs of **all** individuals, many agencies provide the same, or similar, services and products. (A service mapping guide is also available on our website.)

Given that some agencies/funding streams can provide services and products to the "universal" population, and some agencies can provide services and products to only "targeted" populations, It takes a variety of agencies/funding streams to provide enough services and products to both the targeted and universal population.

This leaves the community with multiple agencies/funding streams providing a variety of services and products to a variety of populations. The One Stop system is the method to coordinate those multiple agencies/funding streams into one complete system that will meet the needs of the entire population within a community, in a comprehensive approach. In order to create this new system, there needs to be a method to identify which agency/funding stream provides which services and products to which potential customers. Service Mapping is that method. The result of service mapping is a matrix of which agency/funding source provides which services to which populations.

In addition, this matrix allows the community to determine if there are any required services and/or products that **have gaps** (not able to be provided with the current funding stream/agencies), which services and/or products **are duplicative** (more available than are needed) and which services and/or products **are being augmented** (provided by multiple agencies in order to meet the total demand of the community).

Without this service gap analysis, there would be no community understanding of the multitude of services and products being offered, and by whom, which services need more providers, and which services and products have too many providers. Thus, service gap analysis allows the community to take the first step to fully utilizing its workforce development funds and creating a true One Stop approach for our customers

Program Integration

Potential system customers have stressed the value of service integration. For example, a single contact person for accessing system services.

The concept of integration should eventually include shared intake, referral and assessment; cross-program eligibility screening; shared client databases; joint definitions and forms; joint job development; cross-trained staff; and joint administrative structures and budgets.

There are four things front-line staff need to know to begin integrating services:

- ◆ General idea about eligibility for all partners' programs

- ◆ General service menu (agree upon core services)
- ◆ Performance objectives of the partner programs
- ◆ Most common customer questions and the appropriate answers

Quality Principles

System services and information shall be provided in accordance with operating standards identified by our system customers. These standards include utilizing quality principles; empowering customers to make informed work and career choices, and eliminating unnecessary "red tape."

Malcolm Baldrige quality principles should be utilized to ensure a results-oriented, customer responsive service delivery system. These principles include leadership, customer driven quality, continuous improvement, employee participation and development, fast response, partnership development, fact based management, and focus on results. Each of the programs have traditionally been responsive to their funding sources but not necessarily to customer input, particularly local employer customers. These quality principles are necessary to create effective results-oriented organizations equipped to continuously improve service delivery.

STEP 4: DECIDE HOW YOU WILL SHARE CUSTOMERS

Section 121 of the Workforce Investment Act requires the MOU to describe the "methods for referral of individuals between the local system (One-Stop) operator and the One-Stop partners, for the appropriate services and activities." The method of referral implies that there is a systematic approach to the referral of customers needing system or program services. This systematic approach must be agreed upon by all of the partners and thoroughly explained in the MOU so all partners, the local system operator, and the WIB are aware of the referral system. The referral system must always be to the advantage of the customer. The goal is to have a quality referral that rewards the customer with what they intended to receive when they arrived. This means a date, time, place and contact person, as well as what information the customer needs to bring with them for further processing.

An example of a systematic referral process for One-Stop center customers could read:

"It is agreed that the One-Stop partners signing this MOU will conduct referral for services in the following manner. All customers referred for services will:

- ◆ *Receive a written referral form with the date, time, and place of the appointment.*
- ◆ *All appointments will be scheduled within three working days.*
- ◆ *The individual making the appointment will follow-up within two working days of the scheduled appointment date to ensure services were delivered."*

The partners should describe their referral methodology pending implementation of a statewide case management system.

Beyond this there should be a narrative description of the overall referral arrangements across the workforce development system including full-service Career Centers, affiliate sites and any alternative access points in the local system.

How can we share customer data?

One of the key principles embodied in WIA is streamlining services through better integration. Programs and providers are expected to coordinate and integrate activities and information, so that the system as a whole is coherent and accessible for individuals and businesses alike. Customers should receive "seamless" services whenever possible; crossover among program lines should be invisible to the customer.

To assist in streamlining services, local partners are encouraged to develop a common customer release form. The key to developing an effective Release of information form is to understand that customers have a legal right to privacy. But the customer can waive that right with the hope of being better served by the system if consent is given voluntarily and the decision is informed. Guidelines to consider in developing a release and for sharing of customer information among partners include:

- ◆ The form should specify a time period, the type(s) of information that may be shared, and the reasons for sharing the information.
- ◆ The language of the release form should be simple and straightforward. It is important for all customers to be able to understand the information on the form. For those whose primary language is not English, you may want to have forms printed in the language with which they are most comfortable. The release should be explained by staff, as well.
- ◆ A release form needs to specify the organizations that will be sharing information. The customer must be notified regarding which agencies or organizations will be permitted to release and receive information. When agencies are listed on a consent form, a brief description of each agency's purpose should be made available to the customer. For example, a brochure or flyer with relevant program descriptions might be given to each customer, or a local service directory might be consulted as needed.
- ◆ The customer should be able to indicate if there are limits to his or her consent.
- ◆ The form should specifically identify to whom the release applies. For example, a parent may be authorizing information to be shared for a child. When an individual is providing consent on behalf of another individual, the relationship between the two individuals needs to be specified and validated.

STEP 5: DETERMINE HOW THE COSTS OF THE SYSTEM AND SERVICES WILL BE FUNDED

The Workforce Investment Act (WIA) regulations require that each MOU contain a section that provides the financial details of the agreement. Under the Act, all One-Stop partners are required to participate proportionately in the system and services costs. The identification in the MOU of total system costs and the resources that will support those costs is a critical step in making the local system sustainable.

Service delivery should be the prime factor driving operational planning, not cost accounting. However, cost accounting considerations must be a part of the planning process. Federal funding sources and good management practices require costs to be accumulated in an organized fashion to control budgets, measure the efficiency of operations and report financial information.

The WIB should negotiate each partner's share of the costs in a way that promotes the principles of proportionate cost sharing. To accomplish this, the WIB must be able to support the fairness of the negotiated amounts through the use of cost allocation methods or bases. The measurement of benefit is the critical requirement and central task to be performed in allocating costs. Costs are allocable to a particular cost objective based on benefits received by that cost category.

What does the local system cost?

There are infrastructure costs at the local level to provide the necessary tools to operate this integrated service delivery system as well as system service delivery costs and the costs of operating the individual programs within the new system.

Examples of Local infrastructure costs include:

- ◆ WIB staff and expenses
- ◆ One-Stop System Operator and expenses
- ◆ Career Resource areas
- ◆ Data lines
- ◆ Statewide toll free line
- ◆ Customer feedback mechanisms

System services costs include:

The personnel and related costs of providing core services to individual system customers that are in addition to basic labor exchange services traditionally provided in the local area by the Wagner-Peyser program.

Program costs include:

Those costs which are incurred directly by a partner to provide allowable activities to eligible participants of its own unique programs, these are not shared costs.

◆ Who will pay for these various costs?

Before starting to determine who should pay how much, each partner should review their program budget. This review is to identify items within their budget that could be of benefit to all partners. Examples: Salary and fringe benefits could be used to staff the Career Center, work on a joint marketing plan, or any other joint effort. Marketing or advertising funds could be used for publications promoting the whole career Center (listing all partners and services). Telephone costs could be used to pay for 800 lines or data lines. Office supplies could be used for supplies needed in the Career Center (could include keyboard or mouse for computers). See Missouri's *Cost Allocation Plan Guidelines*.

◆ How do we figure each partner's share?

Each partner must contribute a fair share of the cost of the system proportionate to the use of the system by individuals attributable to the partner's program. According to the WIA Final Rules, individuals attributable to the partner's program may include those who are:

- ◆ Referred through the system and enrolled in the partner's program after core services;
- ◆ Enrolled in the partner's program prior to receipt of core services;
- ◆ Meet the eligibility criteria of a partner's program and receive core services; or
- ◆ Meet an alternative definition described in the MOU.

Unless partners at the local labor market level agree to an alternative definition in their MOU, our task will be to match system customers with program enrollments or those meeting eligibility requirements to determine each partner's proportionate share.

It may be helpful to compare program customer counts from the most recent period in order to estimate future proportionate share. But, be aware that OMB Circulars require the cost allocation basis to be from the same period as the expenditures. For example, you cannot actually determine proportionate share until customers start using the system; we will have to count as we go along.

The State is also assuming that, unless determined otherwise locally, each customer's access to the system will be given the same weight. This means that whether a system customer accesses core services once or multiple times, or one or more core services, each system customer counts the same when determining proportionate share. If more than one partner provides core services to a single participant, that cost should be shared.

- ◆ **Who pays for customers of core services that aren't enrolled in or determined eligible for partner programs?**

Since the methodology for determining which partner pays for which system customer is based on being enrolled in or determined eligible for partner programs, what happens when this is not the case? These costs are shared proportionately based on the enrolled participants.

- ◆ **What core services are considered basic labor exchange services that the state labor exchange service will be paying for?**

The WIA Final Rules indicate that all One-Stop partners will proportionately share the costs of core services "that are in addition to the basic labor exchange services traditionally provided in the local area under the Wagner-Peyser program." These program services focus on the matching of job seekers with employers and include the following core services, as required by the Act:

- ◆ Job search and placement assistance (not including career counseling);
- ◆ The provision of employment statistics information (including job vacancy listings, information on job skills necessary to obtain the listed jobs, information relating to local occupations in demand and the earnings and skill requirements for such occupations);
- ◆ All other core services are in addition to the basic labor exchange services of Wagner-Peyser and must be jointly funded by the partners.

- ◆ **What about the costs of co-location?**

In addition to the shared system costs that must be shared proportionately by each One-Stop partner in the local labor market, there are often shared costs of co-located partners. This results from sharing space, phone systems or items. The *Cost Allocation Plan Guide* is particularly helpful in determining how to share these costs.

◆ **What if we can't get agreement?**

Your first and best option if various partners believe the cost is too high is to refocus on value, attempting to increase the value to be achieved. If some partners do not perceive the system as valuable enough, try to find ways to reduce the system and service delivery costs. If that does not work, you are at an impasse.

◆ **Implications**

What if you (the local interagency group and a particular partner) can't agree? The WIA Final Rules, Section 662.310, requires that local boards and One-Stop partners must enter into good-faith negotiations. Local boards and partners may request assistance from the State, and the State from the Federal funding agencies, to address impasse situations. Should these efforts fail, the local WIB and reluctant partners must document the negotiations and efforts that they have taken. Any failure to execute an MOU must be reported by the local board and the reluctant partner to the State Workforce Investment Board. The State must then report this to the Secretary of Labor or the head of any other federal agency responsible for the partner's program. Any partner that fails to execute on MOU may not be permitted to serve on the local board. In addition, a local board that has failed to execute an MOU, with all the required local partners, is not eligible for State incentive grant funds.

◆ **Required impasse actions**

- ◆ Local interagency teams and partners document their efforts;
- ◆ Locality reports impasse to the State Workforce Investment Board and the Division of Workforce Development;
- ◆ Division of Workforce Development reports impasse to the U.S. Secretary of Labor and the head of any other federal agency with responsibility for oversight of the programs at issue.

STEP 6: BE PREPARED TO CONTINUOUSLY IMPROVE THE LOCAL SYSTEM TO MEET THE CHANGING NEEDS OF YOUR CUSTOMERS

Continuous improvement is one of the major tenets of the Workforce Investment Act. States and local areas are required to outline the continuous improvement strategies that they will use to improve organizational effectiveness, program results and program out-comes.

The key to long-term success is the creation of a continuous improvement process to identify the changing needs of your customers and to identify process improvements that will increase customer satisfaction with the services your local system delivers.

How can we build continuous improvement into the local workforce development system?

- ◆ Build a culture that is focused on continuously improving services and customer satisfaction:
- ◆ Build continuous improvement into the design of your local service delivery plan and allocate resources to pay for the related products and activities (e.g. define how you will gather

customer feedback and determine what training is needed to support the continuous improvement effort.)

- ◆ Identify system indicators you want to track and gather the corresponding baseline data.
- ◆ Set performance goals for each of the indicators you choose to track (required and optional).
- ◆ Solicit ideas from partner agencies, which deal with both adults and youth, so that the local WIB can consider those ideas when it sets overall system performance goals. Consider developing and using a report card to report results in an easily understandable format to the local WIB, Business and individual customers, and the staff of partner agencies.
- ◆ Have partner agencies review their existing data systems to align them with the core indicators and customer satisfaction indicators, so that data can be shared and aggregated across agencies.
- ◆ Establish a process for partner agencies to report data in relation to the performance goals on a regularly established basis.
- ◆ Designate key staff who will take responsibility for gathering and reporting data from each partner agency, and key staff who will aggregate that data.
- ◆ Schedule time on the local WIB agenda to review progress in relation to the performance goals.
- ◆ Review progress at least each year and possibly during the year toward reaching the performance goals.
- ◆ Re-set performance goals based on progress during any given period.
- ◆ Establish formal reward and recognition systems to positively reinforce your system's staff efforts to improve services and customer satisfaction (e.g., an award to recognize continuous improvement efforts conducted by an inter-agency team).
- ◆ Allocate resources to pay for all of these related costs.
- ◆ Revise performance appraisal systems to encourage staff to review their work in relation to the system's performance goals and to commit to continuously improving their work, etc.
- ◆ Determine the level of satisfaction of your staff and establish a plan to increase the satisfaction of these internal customers.
- ◆ Use the tools designed for the local system (locally developed and/or those referenced as resources below) to make improvements.

Eight Principles of Quality Improvement

1. Be customer-focused. Establish a formal process for collecting customer feedback at regularly established intervals using several methodologies (e.g., surveys, focus groups). Use an informal process for collecting customer feedback on a weekly or biweekly schedule (e.g., ask participants how satisfied they are immediately following the delivery of a specific service, record their responses, and look for trends).
2. Focus on fixing the service delivery system and the service delivery process. Fix what's most important to the customer across systems.
3. Do the right thing, the first time. Emphasize quality and develop continuous improvement strategies to improve the accuracy and efficiency of your staff's work.
4. Make data-driven decisions and use structured problem-solving methodologies. Use data, not opinions to make decisions. Use the same problem-solving methodologies across the system.
5. Measure the effectiveness of the improvement efforts. Define baseline performance and report improvements as a result of the continuous improvement effort.

6. Involve everyone. Ask individual and business customers to help you improve services or processes. Encourage front-line staff to initiate continuous improvement efforts. Define and explain "empowerment" for each level of staff.
7. Communicate with and provide training to staff, board, and partner agencies. Build systems to share information with all partners. Develop methodologies to cross-market the system to all customers (e.g., an inter-agency brochure for businesses). Develop a plan to cross-inform and cross-train staff to build the capacity to offer seamless service delivery.
8. Build leadership at all levels of the system:
 - ◆ Develop a shared vision, mission, values and goals.
 - ◆ Hold everyone accountable for contributing to continuous improvement efforts.
 - ◆ Treat staff as a valued customer in the system.
 - ◆ Celebrate successes.
 - ◆ Publish the results of each continuous improvement effort.
 - ◆ Promote risk-taking and team work.

RESOURCES THAT MIGHT HELP

Customer Needs

- ◆ Community organizations that represent customer groups (e.g. Chamber of Commerce, Centers for Independent Living, etc.).
- ◆ All partners (WIA required partners, other WIA recommended partners, and other key community organizations such as the United Way).
- ◆ Simply Better products: a good focus group guide entitled "The Customer in Focus" can be found at www.simplybetter.org.
- ◆ **MissouriWORKS!** At www.works.state.mo.us for current labor market information
- ◆ USDOL Workforce Investment Act website: www.usworkforce.org.

Local System Design

- ◆ USDOL Employment and Training Administration One-Stop website (good One Stop demonstration site resources): www.ttrc.doleta.gov/onestop
- ◆ The Interstate Conference of Employment Security Agencies (ICESA) website has excellent resources for WIA related issues: www.icesa.org
- ◆ Other states' WIA plans: available at www.usworkforce.org ("State Plan Review and Approval Status" section).
- ◆ WIA required and suggested core and intensive services: See Workforce Investment Act sections 134(d)(2) and 134 (d)(3) and WIA Interim Final Rule sections 663.150, 663.200, and 662.240 through 662.260. WIA statute and regulations are available at www.usworkforce.org.
- ◆ US Workforce website: www.usworkforce.org
- ◆ US Department of Labor: www.doleta.gov
- ◆ ICESA website: www.icesa.org
- ◆ Websites of early implementation states

Cost Sharing

- ♦ Missouri's *Cost Allocation Plan Guidelines*, found under Workforce Investment Act Information at www.ecodev.state.mo.us/mtec/index.htm
- ♦ Information from state agencies on the allowable costs of various funding streams.
- ♦ Information from USDOL regarding cost allocation issues: Check www.usworkforce.org for updates
- ♦ OMB Circulars: A87 (Cost Principles for State, Local and Indian Tribal Governments), A21 (Cost Principles for Educational Institutions), A122 (Cost Principles for Non-Profit Organizations): Available at www.whitehouse.ciaiv/omb.
- ♦ USDOL Employment and training Administration website: www.doleta.gov.
- ♦ USDOL WIA website: www.usworkforce.org.
- ♦ OMB Circulars: www.whitehouse.ciov/omb.

Continuous Improvement

- ♦ Simply Better! Tools: Self-Assessment, The Voice of the Customer, The Customer in Focus, Service by Design, Measuring Success and much more can be found at www.simplybetter.org. Staff development on the Simply Better Products is available through the Missouri Training Institute. Contact Alan St. John or Ann Merrifield at (573) 882-2860.
- ♦ Tools designed by the Enterprise Council in conjunction with the US Department of Labor: Great information on customer satisfaction and continuous improvement can be found at www.theenterprise.org.
- ♦ Malcolm Baldrige criteria for Performance Excellence at the Baldrige website: www.Quality.nist.gov/crit2.htm.
- ♦ Interstate Conference of Employment Security Agencies (ICESA) has survey tools and customer satisfaction training available for the one-stop system partners. Check www.icesa.org
- ♦ Businesses in your local area will have continuous improvement tools that could be used by the system.
- ♦ Workforce development programs now have access to their own quality certification process modeled after Baldrige criteria. Information on this process can be found at www.workforce-excellence.net
- ♦ The State of Missouri has its own quality award that government, education and service type organizations can apply for. Information on the award process and services provided can be found at www.mqa.org