West Virginia Workforce Development Board	
Policy Area: One-Stop Service Delivery	
Title of Policy: One-Stop Infrastructure Funding	**Number:** 300-04 (2023)
Effective Date: July 1, 2023	**Review by Date:** July 1, 2028
Approved Date: **Revision Date:**	**Approved by:**

I. Purpose

The purpose of this issuance is to detail the requirements for funding one-stop infrastructure and provide guidance to West Virginia's Local Workforce Development Boards (LWDB) under the Workforce Innovation and Opportunity Act (WIOA).

II. Summary

The Workforce Innovation and Opportunity Act (WIOA) creates a new process for funding the costs of one-stop infrastructure. One-stop infrastructure is generally described as the costs of non-personnel resources such as building leases, equipment, supplies, and resource rooms. The purpose of partner programs sharing the costs of one-stop infrastructure is to: (1) maintain the one-stop delivery system to meet the needs of local communities; (2) reduce duplication by improving program effectiveness through the sharing of services, resources and technologies among program partners; (3) reduce overhead by streamlining and sharing financial, procurement, and facilities costs; (4) encourage efficient use of information technology; (5) ensure that costs are appropriately shared by one-stop partners by basing contributions on proportionate share of use, and (6) ensure that services provided by the one-stop partners to reduce duplication or to increase financial efficiency at the one-stop centers are allowable under the partner's program.

III. References

- Workforce Innovation and Opportunity Act (Pub. L. 113-128)
- Training and Employment Notice No. 05-14, *Workforce Innovation and Opportunity Act Announcement and Initial Informational Resources*
- Training and Guidance Letter No. 19-14, *Vision for the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act of 2014*
- United States Department of Labor, *Workforce Innovation and Opportunity Act; Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule*, 20 CFR, Part 678, Subpart E, One-Stop Operating Costs
- Office of Management and Budget (OMB) Uniform Guidance at 2 CFR part 200 and the Department of Labor exceptions at 2 CFR part 2900

U.S. Department of Labor, Employment and Training Administration, “One-Stop Comprehensive Financial Management Technical Assistance Guide”

- Workforce Innovation and Opportunity Act (WIOA) One-Stop Infrastructure Costs-FAQ
- Code of West Virginia, §5B-2B-4(b)(6)(B) and §5B-2B-4(b)(3)(F)

IV. Policy

The West Virginia State Workforce Development Board promotes the appropriate sharing of costs of the one-stop career center system through the one-stop infrastructure mechanism outlined in WIOA, consistent with Uniform Guidance and federal cost principles. One-stop infrastructure includes the non-personnel costs of operating the one-stop delivery system and includes the following:

- Rental of the facilities;
- Utilities and maintenance;
- Equipment (including assessment-related products and assistive technology for individuals with disabilities); and
- Technology to facilitate access to the one-stop center, including technology used for the center’s planning and outreach activities.
- Local Boards may consider common identifier costs as costs of one-stop infrastructure.

Personnel costs include salaries, wages, and fringe benefits of the employees of partner programs or their subrecipients. For example, allocable salary and fringe benefit costs of partner program staff who work on information technology systems (i.e., common performance and reporting outcomes) for use by a one-stop center as a whole are personnel costs and identified as additional costs, not infrastructure costs. The cost of a shared welcome desk or greeter directing employers and customers to the services or staff that are available in that one-stop center is a personnel expense. These costs, therefore, are not included in infrastructure costs but are included as “additional costs” in the one-stop operating budget.

WIOA outlines two mechanisms for reaching agreement on the shared costs of infrastructure. The first is the “local mechanism.” The local mechanism includes agreement among the one-stop partner programs in a local workforce development area, and the agreement is reflected in the local Memorandum of Understanding (MOU). The second is the “state mechanism.” The state mechanism occurs through action by the Governor to take portions from the one-stop partner program at the state level and pool funds for allocation to local workforce development areas that do not trigger the local mechanism for funding one-stop infrastructure costs.

The West Virginia State Workforce Development Board oversees the processes for funding one-stop infrastructure, including ensuring consistency in how local negotiations for sharing the costs of infrastructure occur. Each LWDB in the State of West Virginia, in conjunction with chief local elected officials, have the opportunity to fund the costs of one-stop infrastructure locally though the MOU negotiation process. Each local MOU must contain an Infrastructure Funding Agreement (IFA), which outlines the budget and partner shares for funding the one-stop infrastructure in a local workforce development area.

All shared costs for one-stop infrastructure shall meet requirements under each program partner's authorizing statutes and regulations, as well as federal cost principles. Likewise, the amounts contributed by each program partner shall not exceed the legal caps placed through the WIOA statute and regulations or additional requirements in West Virginia state law. When the state mechanism is triggered, allocation of funds will be based on federal guidance and required partner programs' proportional use and relative benefit of comprehensive and affiliate one-stop career centers in the local workforce development area.

V. Procedures

All one-stop partner programs must contribute to the infrastructure costs and certain additional costs of the one-stop delivery system based on their proportionate use and relative benefit received as outlined in 20 CFR 678.700 and 678.760, 34 CFR 361.700 and 361.760, and 34 CFR 463.700 and 463.760.

Proportionate use refers to a partner program contributing its fair share of the costs proportionate to:

(1) The use of a one-stop center by customers that may include reportable individuals and participants in its program at that one-stop center;

(2) The amount of square footage occupied by the partner program in the one-stop center; or

(3) Another allocation base consistent with the Uniform Guidance.

In determining the proportionate share, the "relative benefit" received from participating in the one-stop delivery system is another step in the cost allocation process. Determining relative benefit does not require partners to conduct an exact or absolute measurement of benefit, but instead to measure a partner's benefit using reasonable methods.

The **possible methodologies** used to allocate costs among the one-stop partners include:

(1) Staff time allocated on the basis of time sheets and time distribution records;

(2) Facilities allocated on the basis of square footage;

(3) Accounting services allocated on the basis of transactions; and

(4) Equipment or supplies allocated based on usage.

LWDBs shall use as an allocation basis either direct-staff salaries or square footage. If LWDBs would like to use another allocation basis, they make a request and gain approval from Workforce West Virginia.

While not part of infrastructure costs, one-stop partners should also negotiate sharing **additional costs**, including personnel costs for various program and support activities, operating costs, and services that are necessary for the general operation of a one-stop center. The costs of shared services may include initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, referrals to other one-stop partners, and business services.

The permissible types of funds used for infrastructure costs and the additional costs of operating a local one-stop delivery system (i.e., a partner's program or administrative funds) may differ depending upon the partner program's authorizing law and implementing regulations. Infrastructure funding may be from funds classified as administrative, program, or both, depending on the partner program's requirements.

Funding for infrastructure costs and additional costs, such as shared costs and shared services, may be in the form of:

- **Cash**
  - The source of funds that may be used to pay for infrastructure costs depends on the requirements regarding the use of funds under the law authorizing the partner program that is contributing the funding.
    - WIOA title I programs, including the Adult, Dislocated Worker, and Youth programs; Native American programs, YouthBuild, Job Corps programs, and Migrant and Seasonal Farm Workers (MSFW) programs – Program funds, administrative funds, or both may be used.
    - Senior Community Service Employment Program (SCSEP), Trade Adjustment Assistance (TAA) programs, Reentry Employment Opportunities (REO) programs – Program funds, administrative funds, or both may be used.
    - Wagner-Peyser Act ES, Jobs for Veterans State Grants (JVSG), and Unemployment Compensation programs – These programs do not distinguish between program and administrative funds. Therefore, any of the funds allotted for these programs may be used to pay for infrastructure costs.
    - Adult Education and Family Literacy Act (AEFLA) – Infrastructure costs are to be paid from Federal funds made available for local administration (WIOA sec. 233(a)(2) and 34 CFR 463.25 and 463.26(e)). Non-Federal resources that are cash, non-cash, or third-party in-kind contributions may also be used. The federal funds available for activities other than local administration may not be used for such costs.
    - Vocational Rehabilitation (VR) – This program does not distinguish between program and administrative funds. Non-federal resources that are cash, non-cash, or third-party in-kind contributions may also be used. The regulations clarify that one-stop system infrastructure costs are allowable administrative costs under the VR program. Therefore, although the VR program imposes no limits on the amount of funds that may be spent on administrative costs, VR agencies must report funds spent for infrastructure costs as administrative costs. Furthermore,

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VR agencies may not count third-party in-kind contributions toward meeting their match requirement under the VR program when such contributions are used for one-stop operating costs.

– Perkins V – Federal funds made available for local administration may be used to pay infrastructure costs. Non-Federal resources that are cash, non-cash, or third-party in-kind contributions, and other funds made available by the State may also be used to pay infrastructure costs.

– Other required partners including Housing and Urban Development (HUD) employment and training programs, Community Service Block Grant (CSBG) programs, and Temporary Assistance for Needy Families (TANF) – These partner programs may determine what funds they will use to pay for infrastructure costs. The use of these funds must be in accordance with the requirements of WIOA and with the relevant partner's authorizing statutes and regulations, including, prohibitions against supplanting non-federal resources, statutory limitations on administrative costs, and all other applicable legal requirements.

– Additional Partners – These partners must consult their program's requirements and/or statute or authorizing documents/regulations to determine the type and source of funds that may be used.

- **Non-cash or third-party in-kind contributions**
  - In-kind contributions are not preferred. If in-kind contributions must be used, the LWDB should ensure that they are compliant with 2 CFR 200.306. Contributions must be:
    - Verifiable from the entity's records;
    - Not included as contributions for any other federal award;
    - Necessary and reasonable for accomplishment of project or program objectives;
    - Allowable under 2 CFR subpart E;
    - Not paid by the federal government under another federal award, except where the federal statute authorizing a program specifically provides that federal funds made available for such program can be applied to matching or cost sharing requirements of other federal programs;
    - Provided for in the approved budget when required by the federal awarding agency; and
    - Conform to other provisions of 2 CFR Part 200.
- Funding from **philanthropic organizations or other private entities**
- Other **alternative financing options** as described in WIOA sec. 121(c)(2)(A)(ii) and 20 CFR 678.715, 34 CFR 361.715, and 34 CFR 463.715

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Some partner programs may have statutory or regulatory prohibitions against using certain types of these contributions or on how the program may treat these contributions for fiscal accountability purposes under the respective program's requirements.

Consistent with West Virginia State Workforce Develop Board Policy 300-03 and federal guidance, if officials from at least one required program partner in a local workforce development area cannot reach agreement on funding the shared costs of one-stop infrastructure, the West Virginia State Workforce Development Board must be notified no later than April 30 of that year that an impasse has occurred. State officials will then provide technical assistance to help achieve a consensus.

Accompanying template to be provided.

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