	<b>New Jersey Workforce Innovation Notice</b>		<b>WD-PY21-6</b>
	<b>Issued By:</b>	Workforce Development Division of Career Services	
	<b>Approved By:</b>	Hugh Bailey, Assistant Commissioner Workforce Development	
	<b>Issued Date:</b>	May 16, 2022	

**SUBJECT:** Local Governance under the Workforce Innovation and Opportunity Act (WIOA)

**EFFECTIVE DATE:** This NJWIN is effective **Immediately**.

**PURPOSE:** This policy outlines the roles, responsibilities and authority of the Chief Elected Officials (CEOs) and Local Workforce Development Boards (LWDBs) as defined in the Workforce Innovation and Opportunity Act (WIOA). This policy also sets forth the requirements for the appointment of LWDB members, as well as the roles and responsibilities of staff, fiscal agents, LWDB committees, and One Stop Operators, and One Stop career service providers, including youth services. Additionally, it provides guidance for the development of agreements between the various entities within the local workforce system.

### **Definitions**

**Chief elected official (CEO):** The term Chief Elected Official means (1) the chief elected executive officer of a unit of general local government in a LWDA; and (2) in a case in which a local workforce development area (LWDA) includes more than one unit of general local government, the individuals designated under a consortia agreement.

**Local Workforce Development Area (LWDA):** A geographic area, designated by the Governor in accordance with WIOA, (1) to serve as a jurisdiction for the administration of workforce development activities using Adult, Dislocated Worker, and Youth funds allocated by the State, and (2) to coordinate efforts related to the other core programs at a local community level.

**Local Workforce Development Board (LWDB):** The body that is responsible for strategy and governance of activities in the LWDA and comprised of members appointed by the CEO of the area consistent with relevant by-laws and agreements.

**New Jersey Department of Labor and Workforce Development (NJDOLE):** is the state administrative entity/state workforce agency designated by the governor.

**State Employment and Training Commission (SETC)** is the State Workforce Development Board.

### **Policy Overview**

WIOA assigns responsibilities at the federal, state and local levels for the creation and maintenance of a One Stop delivery system. The workforce delivery system requires a collaborative effort among education, business, labor, economic development, public agencies, and community-based

organizations in the delivery of services available under multiple programs to job seekers and employers.

This policy offers an overview of the various entities that contribute to governance and operations in New Jersey's Local Workforce Development Areas (LWDAs) and the nature of the relationships, roles, and responsibilities that must be developed in each LWDA. This policy provides specific details related to the roles and responsibilities of:

- Chief Elected Officials (CEOs)
- Local Workforce Development Boards (LWDBs)
- Fiscal Agents
- Designated and Hired Staff of LWDBs
- Committees of LWDBs
- One Stop Operators
- One Stop Career Service providers, including youth service providers

These entities all play an important role in the development and maintenance of the local workforce system and, collectively, must support the full functions expected of LWDBs and local One Stop Career Centers operating in each LWDA.

Furthermore, this policy highlights the importance of ensuring the separation of LWDBs, which oversee strategy and governance, and the One Stop Career Centers, which oversee operations. **LWDA structure must separate LWDB functions and service delivery operations** to ensure good stewardship of WIOA funds and the accountability of the local workforce system.

**CEO(s) and LWDBs** are responsible for ensuring that the structure and processes of LWDAs align with the expectations of WIOA, and that systems, processes, and capacity are in place to facilitate the following local governance activities:

- Integration of labor market information, other data sources, and the expertise of partners to support the development and refinement of strategies that guide the service delivery of One Stop operators and partners to support the needs of workers and employers
- Engagement in key functions, including, (1) the development of plans and policy, (2) procurement of One Stop operators and career services, and (3) engagement in oversight and monitoring activities.
- Designation and organization of staff, fiscal agents, and additional LWDB committees, as determined by the LWDA to carry out LWDB functions

WIOA highlights 14 areas around which CEO(s) and LWDBS share governance responsibilities. These include:

- Local and Regional Planning
- Labor Market Information
- Convening, Brokering, Leveraging
- Employer Engagement
- Career Pathways Development
- Proven and Promising Practices
- Technology
- Program Oversight
- Local Performance Accountability Measures
- Infrastructure Costs
- Selection of One Stop Operators and Career Service Providers
- Coordination with Education Providers
- Budget and Administration
- Accessibility for Individuals with Disabilities

**Hired or designated LWDB staff, fiscal agents, and additional LWDB committees** may help to implement the work of the LWDB, as well as bridge the connection between strategy/governance and operations. The connections between the LWDB and operational entities are facilitated through (1) the key functions of the LWDB highlighted above, as well as, (2) formal agreements between entities, e.g., MOUs and contracts.

Additionally, **One Stop Operators** must be procured by LWDBs to manage One Stop Operations. The management role of One Stop operators extends beyond Title I programs to include building a system of support across all of the required One Stop partner programs delineated in WIOA. One Stop Required Partner Memorandums of Understanding (MOUs) are a key tool in this. Procured One Stop Operators that manage the system of service delivery may not have reporting relationships to or over any LWDB members or staff.

Finally, based on local plans and strategic priorities, LWDBs must also procure **One Stop Title I Career Services, including youth services**, through competitive procurement processes to ensure the depth and range of service outlined in WIOA. LWDB staff and fiscal agent staff are prohibited from providing career services.

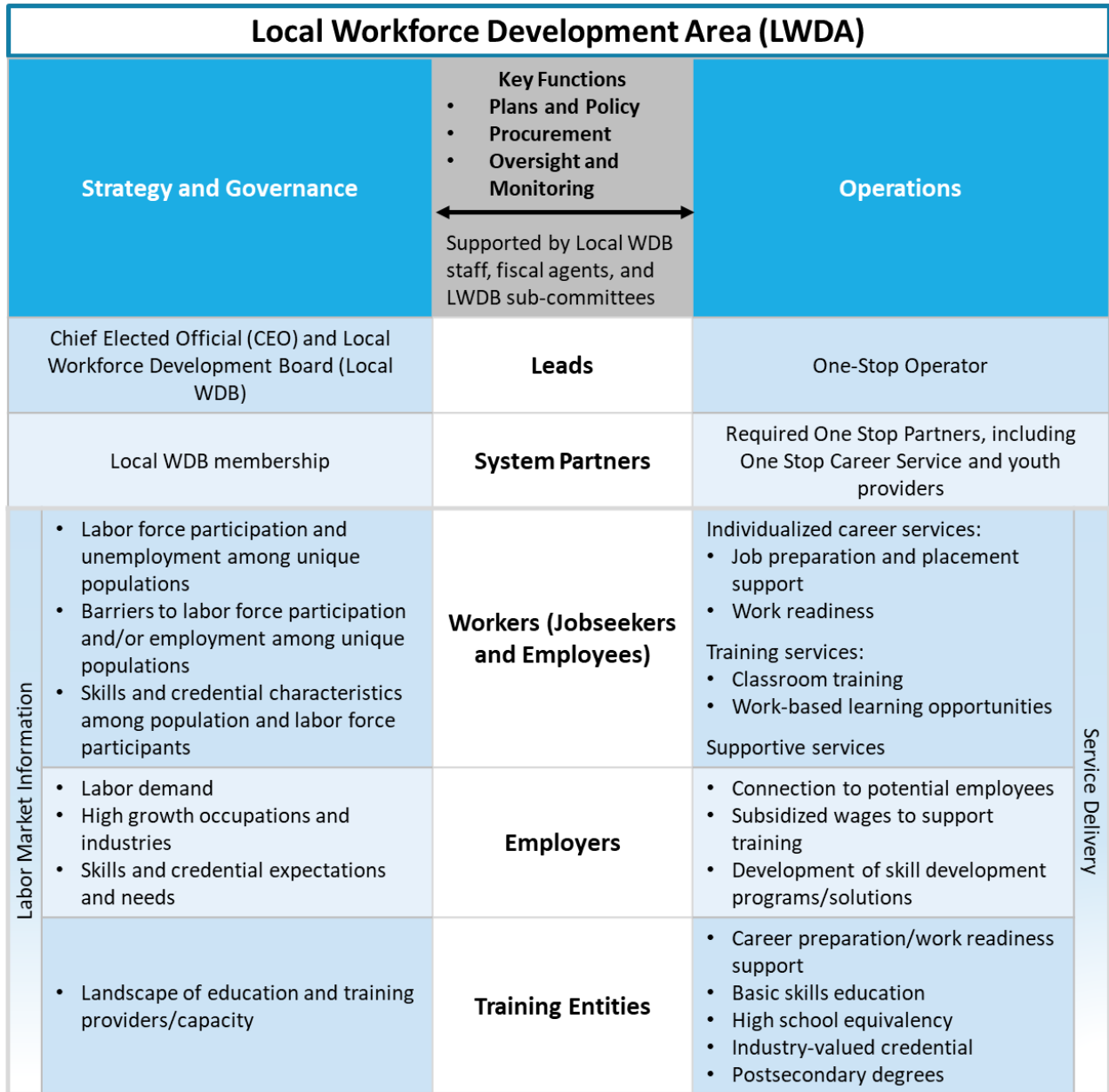
The policy provides an overview of the cases in which an LWDB may compete for and be selected to serve as the One Stop Operator and/or the provider of career and training services. This policy highlights the federal guidance on what is allowable and also highlights clear conditions for success when establishing dual roles for an entity: full procurement processes, staff firewalls, and conflict of interest policies must all be in place.

The following policy includes these sections:

- **Section I: Chief Elected Officials (CEOs) – page 4**
- **Section II: Local Workforce Development Boards (LWDBs) – page 5**
- **Section III: CEOs and LWDBs: Shared Governance – page 6**
- **Section IV: LWDB Roles and Responsibilities – page 7**
- **Section V: Supporting LWDB Capacity: Fiscal Agents, Staff, and Standing Committees – page 10**
- **Section VI: Procurement of One Stop Operator and Career and Youth Services Providers – page 14**
- **Section VII: One Stop Career Center Memorandums of Understanding and Infrastructure Funding Agreements – page 16**
- **Section VIII: Local Governance Transparency – page 16**
- **Section IX: Local Agreements – page 17**
- **Section X: LWDB Certification – page 17**
- **References – page 20**
- **Appendices – page 21**

The figure on the next page provides an overview of the full range of LWDA activities and highlights the role of both the LWDB and the One Stop Career Center, as well as the connection of the LWDBs work through additional staff, fiscal agents and committees. Ultimately, together, these players, help to develop and support a system that brings workers, employers, and training entities together.

Figure 1: Overview of LWDA Activities and Entities



**I. Chief Elected Officials (CEOs)**

Local governance begins with the CEO(s), who by legislation are financially liable for the workforce funds that are allocated to a Local Workforce Development Area (LWDA). The CEO is responsible for appointing LWDB members, approving the LWDB budget, and serving as the local grant recipient.

To assist in the administration of grant funds, the CEO(s) may designate an entity to serve as a fiscal agent; however, such designation shall not relieve the CEO of the liability of any misuse of grant funds.

In addition to the aforementioned responsibilities, the CEO(s) must ensure the LWDB:

- Selects a private-sector business representative as the LWDB chair;
- Procures a One Stop Operator(s) in the LWDA
- Coordinates with economic development strategies and establishes employer linkages with workforce development activities;
- Carries out regional and local planning responsibilities as required by WIOA, NJDOL, and SETC;
- Conducts business in a transparent manner by making available to the public information about the activities of the LWDB to include: the regional and local plans prior to submission and following approval by NJDOL and SETC; membership; procurement and designation of the local One Stop operator; the award of grants or contracts; and minutes of LWDB meetings.

If a LWDA includes more than one unit of county government, the CEOs across counties must execute a written consortia agreement that specifies the respective roles of the individual CEOs in the appointment of the members of the LWDB from the individuals nominated or recommended to be such members in accordance with eligibility criteria.

If the CEOs are unable to reach agreement after a reasonable effort, the Governor may appoint the members of the LWDB from individuals nominated or recommended as specified in WIOA 107(c)(1)(B).

## II. Local Workforce Development Boards (LWDBs)

The purpose of the LWDB is to (20 CFR 679.300 b):

- (1) Provide strategic and operational oversight in collaboration with the required and additional partners and workforce stakeholders to help develop a comprehensive and high-quality workforce development system in the LWDA and larger planning region;
- (2) Assist in the achievement of the State's strategic and operational vision and goals as outlined in the Unified State Plan or Combined State Plan; and
- (3) Maximize and continue to improve the quality of services, customer satisfaction, and effectiveness of the services provided.

The LWDB serves as a strategic leader and convener of local workforce development system stakeholders. The LWDB partners with employers and local workforce development stakeholders to develop policies and investments that support the development and refinement of public workforce system strategies. The LWDB works with partners to ensure that strategies (1) align with regional approaches including the strategies and work of other local and regional sector partnerships, (2) promote the development of career pathways, and (3) support high quality, customer-centered service delivery approaches.

Each LWDB is certified by the governor of New Jersey and required to meet specific membership requirements.<sup>1</sup> All must be appointed through formal nomination and selection processes established by the CEO to inform appointments. Appendix A provides an overview of the requirements highlighted in WIOA regarding LWDB composition. Please also reference the SETC's Local WDB Membership and Appointments policy ([SETC #2015-01](#)) which also reflects New Jersey state law.

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<sup>1</sup>Outlined in WIOA Section 107(b)(2), as well as TEGL No. 27-14

A majority of members must be representatives of businesses in LWDA, including a minimum of two members representing small businesses as defined by the U.S. Small Business Administration.

Boards must also include representatives of:

- Labor organizations and other employee representatives (must be 20% of membership)
- Union-affiliated Registered Apprenticeship programs
- Community-based organizations that have demonstrated experience and expertise in employment and training
- Organizations with expertise serving veterans, individuals with disabilities, and in-school and out-of-school youth
- Eligible training providers administering adult education and literacy activities under Title II
- Higher education institutions supporting workforce needs, including community colleges
- Representatives of economic and community development activities, including state Employment Services and DVRS

In addition to these *required* members of a LWDB, the CEO(s) of a LWDA may appoint other individuals to the LWDB at their discretion, such as local agencies or entities administering transportation, housing and public assistance, and philanthropic organizations. Additional organizations with expertise serving the employment, education, and supportive service needs of individuals with barriers to employment should also be considered. Such members will be considered *optional* members.

All required WDB members must have voting privilege. The CEO(s) may convey voting privileges to non-required members, as well. All members must have optimum policy-making or hiring authority. This means the individual may reasonably be expected to speak affirmatively on behalf of the entity they represent and to commit that entity to a chosen course of action.

### III. CEOs and LWDBs: Shared Governance

The CEO and the LWDB share governance responsibility for key functions such as local planning, program oversight, negotiating local performance accountability measures, selection of One Stop Operators and providers, and approving a budget for LWDB activities. The LWDB and the CEO must enter into a written agreement that describes how the parties will carry out their shared governance functions and meet other LWDB requirements such as membership criteria, setting local policy, and communicating with elected officials and the public.

The shared governance agreement shall establish the roles and responsibilities of the CEO and the LWDBs along with a description of the partnership and specific responsibilities. **The agreement must document a clear separation of duties and required firewalls between staff that perform governance functions and operation functions in organizations that serve multiple roles in the one stop delivery system.**<sup>2</sup> In other words the strategy and governance activities of the LWDB and the operational activities of the One Stop Career Center must be performed by separate staff with clear delineation of roles and responsibilities.

Additionally, agreements must include specific details regarding the development of strategic planning

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<sup>2</sup> 20 CFR 679.430

and governance activities including:

- **Local plan development:** Describe how the local plan will be developed in partnership between the CEO and the LWDB.
- **Budget and approval:** Describe how the LWDB will develop its budget for the purpose of carrying out the duties of the LWDB and the process for obtaining the CEO's approval.
- **Selection of operators and providers.** Establish the guidelines and processes that will be followed by the LWDB for selection of each of the operators and providers for the LWDA in accordance with WIOA, including the process for getting CEO agreement on the selections.
- **Youth activities:** Establish the composition of and appointment procedures for the Youth Council, which is a required entity under New Jersey state law<sup>3</sup>, including ensuring that youth voice is represented. Assign specific duties and expectations to the Youth Council, including responsibilities of the committee for youth activities under youth formula programs and as they relate specifically to procurement of youth services.
- **Program oversight:** Establish the guidelines and process that will be followed to carry out the program oversight responsibilities, including how the CEO will be involved.<sup>4</sup>
- **Performance accountability measures:** Describe the process the LWDB will use to reach agreement with the CEO and the Governor on local performance accountability measures.
- **Workforce system policy:** Describe how the LWDB and the CEO will work in partnership to set policy for the local workforce development system.
- **LWDB Bylaws:** Describe the process for amending the LWDB bylaws including any role the CEO has delegated to the LWDB in amending the bylaws.
- **Memorandum of Understanding:** Describe the process for demonstrating CEO agreement on memorandum of understanding between workforce system partners and the LWDB.

#### IV. LWDB Roles and Responsibilities

The LWDB is responsible for the following core set of roles and responsibilities:<sup>5</sup>

**1. Local and Regional Planning.** Develop and submit a 4-year local plan for the LWDA, in partnership with the CEO and consistent with WIOA sec. 108. Additionally, LWDA's must work together to support the development of regional plans. Local plans must be submitted by each LWDA as part of the regional plan. Table 1 below offers a breakdown of regions in New Jersey.

Regions	LWDBs
North	Bergen, Essex, Greater Raritan, Hudson/Jersey City, Newark, Morris/Sussex/Warren, Passaic, Union
Central	Monmouth, Ocean, Mercer, Middlesex
South	Atlantic, Burlington, Camden, Cumberland/Salem/Cape May, Gloucester

**Table 1: Workforce Regions and LWDBs**

<sup>3</sup> NJSA 34:15C-15

<sup>4</sup> WIOA 107(d)(8)(A)

<sup>5</sup> WIOA sec. 107(d), 20 CFR 679.370, and 20 CFR 679.310(b)

**2. Labor Market Information.** In order to assist in the development and implementation of the local plan, LWDBs must:

- (1) Conduct workforce research and regional labor market analysis that includes analyses and regular updates of (a) economic conditions, (b) needed knowledge and skills, (c) workforce details, and (d) workforce development (including education and training) activities. These analyses must include an assessment of the extent to which current services are addressing identified education and skill needs of both jobseekers and employers.
- (2) Conduct additional research, data collection and analysis related to the workforce needs of the regional economy after receiving input from a wide array of stakeholders and determinations that such information is necessary to carry out its functions.

LWDBs must also provide assistance to the Governor in developing the statewide workforce and labor market information system under the Wagner-Peyser Act for the region.

**3. Convening, Brokering, Leveraging.** Convene local workforce development system stakeholders to assist in the development of the local plan under WIOA section 108 and 20 CFR 679.550 and in identifying non-Federal expertise and resources to leverage support for workforce development activities. Such stakeholders may assist the LWDB and standing committees in carrying out, convening, brokering, and leveraging functions at the direction of the LWDB.

**4. Employer Engagement.** Lead efforts to engage with a diverse range of employers and other entities in the region in order to:

- (1) Promote business representation (particularly representatives with optimum policy-making or hiring authority from employers with existing and emerging employment opportunities in the region) on the LWDB;
- (2) Develop effective linkages (including the use of intermediaries) with employers in the region to support employer utilization of the local workforce development system and to support local workforce investment activities;
- (3) Ensure that workforce investment activities meet the needs of employers and support economic growth in the region by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers; and
- (4) Develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers (such as the establishment of industry and sector partnerships), that provide the skilled workforce needed by employers in the region, and that expand employment and career advancement opportunities for workforce development system participants in in-demand industry sectors or occupations.

**5. Career Pathways Development.** The LWDB, with representatives of secondary and post-secondary education programs, leads efforts to develop and implement career pathways within the LWDA by aligning the employment, training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment as defined in WIOA 3(24)

**6. Proven and Promising Practices.** The LWDB leads efforts in the LWDA to identify and promote proven and promising strategies and initiatives for meeting the needs of employers, workers and



jobseekers (including individuals with barriers to employment) in the local workforce system, as well as in providing physical and programmatic accessibility, in accordance with section 188 and provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), if applicable, to the One Stop delivery system.

**7. Technology.** The LWDB develops strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, workers, and jobseekers by:

- (1) Facilitating connections among the intake and case management information systems of the One Stop partner programs to support a comprehensive workforce development system in the LWDA;
- (2) Facilitating access to services provided through the One Stop delivery system, including access in remote areas and the delivery of virtual services;
- (3) Identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the One Stop delivery system, such as improving digital literacy skills; and
- (4) Leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment.

**8. Program Oversight.** The LWDB conducts program oversight in partnership with the CEO to ensure the appropriate implementation of:

- (1) Youth workforce investment activities authorized under WIOA sec. 129(c), adult and dislocated worker employment and training activities under WIOA secs. 134(c) and (d), and the entire One Stop delivery system in the LWDA;
- (2) Use and management of the funds provided under WIOA subtitle B for the youth, adult, and dislocated worker activities and One Stop delivery system in the LWDA; and
- (3) Use, management, and investment of funds to maximize performance outcomes under WIOA sec. 116;

**9. Local Performance Accountability Measures.** The LWDB negotiates and reaches agreement on local performance measures with the CEO and the Governor (WIOA section 116 (c)).

**10. Infrastructure Costs.** The LWDB negotiates with the CEO and required partners on the methods for funding the infrastructure costs of One Stop centers in the LWDA in accordance with § 678.715 and New Jersey's MOU/IFA policies.<sup>6</sup>

**11. Selection of One Stop Operators and Career Services Providers.** With the agreement of the CEO for the LWDA, the LWDB selects the following providers in the LWDA, and where appropriate terminates such providers in accordance with 2 CFR part 200:

- (1) Providers of youth workforce investment activities through competitive grants or contracts based on the recommendations of the youth committee/council; however, if the LWDB determines there is an insufficient number of eligible training providers in a LWDA, the LWDB may award contracts on a sole-source basis as per the provisions at WIOA sec. 123(b);
- (2) Providers of training services consistent with the criteria and information requirements established by the Governor and WIOA sec. 122;
- (3) Providers of career services through the award of contracts, if the One Stop operator does not

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<sup>6</sup> Please note NJDOL is tracking WIOA Reauthorization efforts which may shift policy related to Infrastructure Funding Agreements (IFAs) and will update this policy when and if changes are made.

provide such services; and

- (4) One Stop operators in accordance with [§§ 678.600](#) through [678.635 of this chapter](#);

In accordance with WIOA sec. 107(d)(10)(E), the LWDB must work with the State to ensure there are sufficient numbers and types of providers of career services and training services serving the LWDA and providing the services in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive integrated employment for individuals with disabilities.

**12. Coordination with Education Providers.** The LWDB coordinates activities with education and training providers in the LWDA, including:

- (1) Reviewing applications to provide adult education and literacy activities under Title II for the LWDA to determine whether such applications are consistent with the local plan;
- (2) Making recommendations to the eligible agency to promote alignment with such plan; and
- (3) Replicating and implementing cooperative agreements to enhance the provision of services to individuals with disabilities and other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and other efforts at cooperation, collaboration, and coordination.

**13. Budget and Administration.** The LWDB develops a budget for the activities of the LWDB, with approval of the CEO, and consistent with the local plan and the duties of the LWDB. The LWDB budget includes all activities of the LWDB including the Title I budget amounts to be allocated for youth (section 133) and adult and dislocated worker (section 128) career services. The LWDB determines how much of the budget to allocate for these services and how to procure these services.

**14. Accessibility for Individuals with Disabilities.** The LWDB assesses, on an annual basis, the physical and programmatic accessibility of all One Stop centers in the LWDA, in accordance with WIOA section 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

## V. Supporting LWDB Capacity: Fiscal Agents, Staff, and Standing Committees

### A. Local Fiscal Agent Functions

As highlighted in 20 CFR 679.420, in order to assist in administration of the grant funds, the CEO may designate an entity to serve as a local fiscal agent. Designation of a fiscal agent does not relieve the CEO of liability for the misuse of grant funds. If the CEO designates a fiscal agent, they must ensure such agent has clearly defined roles and responsibilities.

In general, the fiscal agent is responsible for the following functions:

- Receive funds;
- Ensure sustained fiscal integrity and accountability for expenditures of funds in accordance with Office of Management and Budget circulars, WIOA, and the corresponding Federal regulations and State policies;
- Respond to audit financial findings;
- Maintain proper accounting records and adequate documentation;
- Prepare financial reports;
- Provide technical assistance to subrecipients regarding fiscal issues.

At the direction of the LWDB, the fiscal agent may have the following additional functions:

- Procure contracts or obtain written agreements;
- Conduct financial monitoring of service providers; and
- Ensure independent audit of all employment and training programs

### **B. LWDB Staff**

WIOA grants LWDBs with the authority to designate or hire a director and other staff to assist in carrying out the functions of the LWDB. LWDBs must establish and apply a set of qualifications for the position of director that ensures the individual selected has the requisite knowledge, skills, and abilities to meet identified benchmarks and to assist in carrying out the functions of the LWDB. The LWDB director and staff are subject to the limitations on the payment of salary and bonuses described in WIOA sec. 194(15). In general, staff assigned to a LWDB may only assist the board in fulfilling its required functions.

LWDB staff help provide additional capacity to carry out the key functions of the LWDB— helping to (1) facilitate LWDB and committee meetings that support the direction and oversight of the system, as well as, (2) lead processes that facilitate the flow of information, particularly procurement and monitoring processes, that help to link the strategy and priorities set by the LWDB to the operations in the LWDA’s One Stop Career Centers.

Should the board select an entity to staff the board that provides additional workforce functions beyond those required, such an entity is required to enter into a written agreement with the LWDB and CEO(s) to clarify their roles and responsibilities.

### **C. LWDB Committees**

NJSA 34:15C -15 requires that each LWDB must establish at a minimum, a local Youth Council, a Disability Committee, a One Stop Committee and a Literacy Committee. Additionally, the [SETC WDB handbook](#) also highlights the recommended creation of an Executive Committee. In addition, this policy adds the requirement to establish roles and responsibilities around oversight and monitoring of fiscal activities as part of a Fiscal Committee or through the Executive Committee:

The WDB can establish other committees or task forces with special assignments and terminates when the assignment is accomplished. Committees or task forces could include the following: Business Services, Outreach Committee, and/or Planning (Local Plan Development) Committee. Additional information with regard to standing committees can be found in WIOA Section 107(b)(4).

When setting committee structure, roles, and responsibilities, LWDBs should:

1. Maintain a manageable number of Committees given available staff support and members to serve.
2. Regularly assess board membership to determine which Committee is most suitable to members’ interests and background.
3. Ensure that every Committee has a substantial number of business representatives serving so that the business or employer perspective is considered when carrying out the Committee’s work.
4. Monitor potential conflicts of interest.
5. Recruit additional non-Board members who bring a special expertise or interest and are willing to serve on Committees.

6. Develop a mission statement for each Committee.
7. Establish priorities for the Committee's work and develop an action plan to carry out that work.
8. Ensure that all LWDB roles and responsibilities are assigned to a committee.

Additional details about required and recommended committees are highlighted below.

**1. Youth Council.** Youth Councils coordinate area-wide youth services, assist with planning, and oversee operational youth programs. Youth Councils can serve as the architect in designing and building comprehensive youth services at the local level. Responsibilities may include specific activities related to the procurement of youth services – specifically the development of RFPs that align with broader youth services strategies.

The Youth Council should:

- Help to identify gaps in services and develop a strategy to use competitive selections or community partnerships to address the unmet needs of youth;
- Coordinate youth policy;
- Ensure quality services;
- Leverage financial and programmatic resources; and
- Recommend eligible youth service providers to the LWDB

The Youth Council must include a member of the LWDB, who chairs the committee, members of community-based organizations with a demonstrated record of success in serving eligible youth and young adults, and other individuals with appropriate expertise and experience who are not members of the LWDB. The committee members may bring their expertise to help address the employment, training, education, human and supportive service needs of eligible youth, especially out-of-school youth, young people who have become disconnected, and those with barriers.

LWDBs should consider members that represent agencies such as education, training, vocational rehabilitation, health, mental health, housing, public assistance, justice, representatives of philanthropic organizations, economic and community development organizations, employers, parents, and participants, and must also include representation of youth. LWDBs must ensure that the existing youth body has the appropriate experience and expertise to carry out the responsibilities highlighted in this policy.

**2. Literacy Committee:** The Literacy Committee helps coordinate local literacy resources, engage community stakeholders around local needs and priorities, and create a system of literacy supports in the LWDA. The Literacy Committee provides strategic direction and works in collaboration with other programs and initiatives in the local community to develop a comprehensive system of supports for developing the basic literacy skills of local residents. The literacy committee in each LWDB must also be structured to meet Title II requirements that expect quarterly meetings of partners.

The Literacy Committee should:

- Identify local and regional literacy needs
- Identify how available literacy funds can support local and regional needs
- Build capacity to address literacy needs that serve as barriers to employment or advancement
- Ensure the integration of Title II and other literacy services into One Stop Career Center operations

- Provide fiscal and programmatic oversight of Title II and other literacy funding streams
- Develop standards and priorities for the professional development of providers and staff regarding literacy services and needs

**3. One Stop Committee:** The One Stop Committee oversees the One Stop system including monitoring performance, program enrollments, and service delivery. This committee helps to ensure that LWDB plans and priorities are carried out as expected. This Committee must be comprised of Board members who do not represent providers of One Stop services such as private sector and labor organization members.

The One Stop Committee should:

- Review reports related to all One Stop Career Center Services – including performance reports and service delivery information
- Monitor the implementation of MOU and IFAs to ensure all partner contribute to operations and service delivery as expected
- Mediate disagreements among partners
- Support the procurement of One Stop Career Service providers

**4. Disabilities Committee:** The Disabilities Committee ensures that all services, including those at the comprehensive One Stop Career Center, and external training sites, are accessible to persons with disabilities and that outreach efforts effectively reach this population.

The Disabilities Committee should:

- Monitor service provision to individuals with disabilities and the accessibility of all services
- Provide feedback on new services, program designs and plans, and/or One Stop processes to ensure accessibility to individuals with disabilities
- Provide information, expertise, and assistance with operational or other issues relating to the provision of services to individuals with disabilities
- Support the development of appropriate training for staff on providing supports for or accommodations to, and finding employment opportunities for, individuals with disabilities

**5. Executive Committee:** The Executive Committee directs and coordinates work happening across the WDB's committee structure, and support decision-making between full Board Meetings. Although not required, SETC and NJDOL recommend the creation of an Executive Committee, which consists of the WDB Chair and each of the Committee Chairs, as well as the WDB Director. It may include other board member, as well.

The Executive Committee should:

- Discuss and develop strategies for cultivating strong relationships with key leaders in the community
- Review periodic monitoring and performance report
- Develop an annual budget for approval by the CEO and LWDB
- Review and negotiate with the State on annual performance measures
- Attend local and State meetings that support the work of the Board and enhance the leadership of the WDB

**6. Fiscal Committee (may be part of Executive Committee):** The Fiscal Committee helps ensure that

WIOA's fiscal aspirations are implemented and maintained on a local level. Fiscal standing committees represent a mechanism for LWDBs to increase the level of local coordination and responsible use of the multiple grants associated with WIOA's required programs, develop LWDB budgets, and identifying resources to leverage support for workforce development activities. A fiscal committee can assist in the important role of fiscal oversight in the LWDA regarding all WIOA related activities.

This committee should:

- Conduct fiscal and financial oversight of programmatic and administrative entities
- Develop and recommend fiscal policies, procedures and processes
- Ensure that internal controls are established and put into practice for the LWDB, fiscal agent and all subrecipients for all contracted funds passed through the LWDB
- Develop, recommend, and monitor budgets associated with the LWDB
- Approve operating and program specific budgets and any modifications required
- Review Infrastructure Funding Agreements (IFAs) and IFA Budgets
- Approve the disbursement and payment of funds as defined by established policy
- Ensure the fiscal agent reports timely and accurately; reconcile budgets on a quarterly basis
- Ensure an annual audit of the LWDB is performed by an independent certified public accounting firm
- Provide proper guidance and oversight of procurement of agreements, contracts and grants

This policy requires the formal inclusion of the fiscal oversight functions in an LWDB's committee structure.

## **VI. Procurement of One Stop Operator and Career and Youth Services Providers**

Based on local plans and strategic priorities, LWDBs must also procure One Stop Operators and additional Career Services, including youth services, through competitive procurement processes.

As noted above, WIOA highlights a clear separation of duties and required firewalls between staff that perform governance functions and operation functions (20 CFR 679.430). LWDB staff and fiscal agent staff are prohibited from providing career services, and cannot be designated as a One Stop Operator.

### ***LWDB and Career Services***

In cases where career services are provided by an inter-related agency (i.e., another county agency) that is also the employer of LWDB staff and/or fiscal agent staff, the service/training provider staff must report to a supervisor that does not oversee LWDB staff or fiscal agent staff. This structure is only allowable through written approval by NJDOL and SETC.

Once steps have been taken to address and resolve any issues and/or concerns, the CEO(s), in collaboration with the LWDB, must submit a written request for a structure exception to NJDOL and SETC. This must happen, minimally, every two years in conjunction with the development of the Local Plan or Local Plan modification. The structure exception request must illustrate a reporting structure within the inter-related agency that is separated into divisions.

In other words, an LWDB may act as a provider of career services only with the agreement of the CEO in the LWDA and the Governor and must be documented through a structure exception request.

All documents related to procurement and contracting of career services providers, including for youth services, must be submitted to NJDOL at the time they take place.

### ***LWDB and Training Services***

An LWDB is prohibited from providing training services, unless the Governor grants a waiver in accordance with the provisions in WIOA sec. 107(g)(1). A waiver may be granted if the following exist:

- (1) Satisfactory evidence that there is an insufficient number of eligible training providers of such a program of training services to meet local demand in the LWDA;
- (2) Information demonstrating that the WDB meets the requirements for eligible training provider services under WIOA sec. 122; and
- (3) Information demonstrating that the program of training services prepares participants for an in-demand industry sector or occupation in the LWDA.

Given the many education and training options available physical and virtually in New Jersey, we do not expect a large need for LWDA's to offer training services.

However, if a situation arises in which this is necessary, LWDA's must first make the proposed request for a waiver available to eligible training providers and other interested members of the public for a public comment period of not less than 30 days. Any comments received during this time must be integrated into the final request to NJDOL for the waiver. The waiver must not exceed the duration of the local plan and may be renewed by submitting a new waiver request consistent with [paragraphs \(c\)\(1\)](#) and [\(2\)](#) of this section for additional periods, not to exceed the durations of such subsequent plans.

The Governor may revoke the waiver if the Governor determines the waiver is no longer needed or that the LWDB involved has engaged in a pattern of inappropriate referrals to training services operated by the LWDB.

### ***LWDB and One Stop Operator***

LWDBs may compete for and be selected as One Stop operators, as long as appropriate firewalls and conflict of interest policies and procedures are in place, including ensuring that the LWDB is not unfairly advantaged with inside information regarding procurement. These policies and procedures must conform to the specifications in [§ 679.430](#) for demonstrating internal controls and preventing conflict of interest.

Where a LWDB acts as a One Stop operator, the State must ensure certification of One Stop centers in accordance with [§ 678.800 of this chapter](#). In other words, if the LWDB also serves as the One Stop Operator, the LWDB can not be responsible for certifying the One Stop Center.

Additionally, the LWDB must be selected through an appropriate procurement procedure:

- (1) Through sole source procurement in accordance with [§ 678.610 of this chapter](#); or
- (2) Through successful competition in accordance with [§ 678.615 of this chapter](#).

If a LWDB seeks the One Stop Operator role through a competitive procurement process. The process must be set up to ensure that no overlap exists between the individuals running procurement processes, e.g., existing LWDB staff supporting LWDB functions, and those bidding for work. Additionally, clear conflict of interest policies and processes must be in place, and the dissemination of procurement materials – notices, RFPs, evaluation reports and award recommendations, and awards – must be

public-facing and promote transparency. All procurement materials and contracts regarding One Stop Operator selection must be provide at the time these processes take place.

### ***LWDB Members and One Stop Operations***

Service delivery limitations in WIOA apply to LWDB as an entity but not to the members of LWDBs as individuals. Members of the LWDB may not provide services in their capacity as a member of the board. However, if an individual member of the board is also an employee of a service provider, this does not preclude that entity from providing services. This must be consistent with federal, state, and local conflict of interest requirements. However, if a board member is also an employee of a service provider they must recuse themselves from any discussions related to that provider, including procurement and contracting decision.

## **VII. One Stop Career Center Memorandums of Understanding and Infrastructure Funding Agreements**

In addition to the inclusion of core partners in the composition of LWDBs, WIOA also highlights a set of core, required, and optional partners that should be connected to One Stop Career Centers and included in the provision of career services in each LWDA. [TEGL 16-16, Attachment II](#) provides an overview of required and optional partners, and examples of the service and support that different partners offer to the One Stop system. This information is also compiled and summarized in Appendix E of this policy.

Every LWDA is required to have a comprehensive One Stop Career Center that is part of United States Department of Labor's American Job Center network.

LWDBs may also choose to operate other access points to services in addition to comprehensive American Job Centers. Such access points are called affiliate or specialized American Job Centers, and are created to supplement and enhance customer access to American Job Center services.

The development of MOUs and Infrastructure Funding Agreements (IFAs) provide the opportunity to negotiate and execute agreements across partners for the operation and support of local One Stop Career systems. Each LWDB must enter into an MOU with each required One Stop partner and additional partners as applicable. MOUs and IFAs must include the following elements: service agreements, specifications regarding access to services, referral mechanisms, budget contributions, and in-kind contributions. MOUs and IFAs must be signed by CEOs and LWDBs, as well as authorized representatives of each partner program. NJWIN 19-2 provides New Jersey's MOU and IFA templates.

## **VIII. Local Governance Transparency**

The LWDB must conduct its business in an open manner as required by WIOA sec. 107(e), by making available to the public, on a regular basis through electronic means and open meetings, information about the activities of the LWDB (20 CFR 679.390). The following information must be available publicly:

- Information about the Local Plan, or modification to the Local Plan, before submission of the plan;
- List and affiliation of LWDB members;
- Selection of One Stop operators;
- Award of grants or contracts to eligible training providers of workforce investment activities including providers of youth workforce investment activities;
- Minutes of formal meetings of the LWDB; and
- LWDB bylaws, consistent with § 679.310(g).



## IX. Local Agreements

Each of the agreements listed below are locally driven and maintained by the LWDA in accordance with records retention requirements. The agreements must be made available upon request by federal agencies and must be submitted annually to NJDOL.

**1. Chief elected official agreement:** This agreement is only required where there is more than one unit of general local government (i.e., more than one county) that make up the local workforce development area. In such cases, the CEOs must execute a written agreement that specifies the respective roles and liability of the CEOs. Appendix B provides additional guidance regarding Chief Elected Official Agreements.

**2. Chief elected official and fiscal agent agreement:** The CEO(s) of a local workforce development area opting to designate an entity to serve as the fiscal agent for workforce funds that are allocated to the LWDA must enter into an agreement with the fiscal agent. Guidelines detailing the minimum requirements for the agreement can be found at Appendix C, Chief Elected Official and Fiscal Agent Agreement.

**3. Chief elected official and LWDB partnership agreement:** In accordance with WIOA, Section 107(b) the state must establish criteria for the appointment of LWDB members by the CEO(s). To ensure the criteria established by the state is acknowledged by both the CEO(s) and the members of the LWDB, a partnership agreement is required. Appendix D provides additional guidance regarding Chief Elected Official and LWDB Partnership Agreements

**4. One Stop Career Center MOU and IFA.** In addition to the above-mentioned governance agreements, specific details about the operations of One Stop Career Centers and specific service and cost sharing agreements among required and optional partners must be highlighted in One Stop Career Center MOUs and IFAs. These are operational agreements that help to translate the vision and plans of the CEO and LWDB into specific service plans in the One Stop Career Center. MOU and IFA agreement templates are available on New Jersey's Workforce Professional Resources site under Forms: <https://www.nj.gov/labor/wioa/resources/>.

## X. LWDB Certification

The State Employment and Training Commission (SETC), in partnership with NJDOL, is responsible for certifying LWDBs for each LWDA in the state. Specific details about LWDB certification are available in the SETC's WDB certification policy: <https://www.nj.gov/njsetc/policy/certification/>.

### A. Certification Standards

In accordance with WIOA Section 107(c)(2), the SETC is required to conduct a certification review of each LWDB every two (2) years. Such certification will be based on the review of a local workforce system's activities related to the roles and responsibilities highlighted in section VII of this policy, including specifically:

- Procurement, provision, and oversight of career services
- Local performance based on WIOA accountability measures and any other state-specified outcomes metrics
- Sustained fiscal integrity

- Workforce development board composition

LWDBs will be required to submit multiple years of LWDB budgets, audits, and annual reports as part of this process.

### **B. Failure to Meet Certification Standards**

If a LWDB fails to meet membership requirements, the LWDB shall not be certified until the LWDB complies with these requirements.

If a LWDB meets all membership requirements, but fails to meet any specific expected roles and responsibilities, performance measures and outcomes, and/or sustained fiscal integrity, certification may be granted for a one-year review period, instead of a two-year period. At the end of the one-year review period, the certification process will be repeated with an updated review of performance, fiscal integrity and membership composition. If this review shows the LWDB is meeting all performance measures and outcomes and has sustained fiscal integrity for a second consecutive year, a certification will be granted for the remainder of the two (2) year period.

If a LWDB has already been placed on a one-year review period due to a failure to meet specific expected roles and responsibilities, performance measures and outcomes, and/or sustained fiscal integrity for a second- consecutive year, the LWDB may be decertified. In such cases, the SETC will issue a written notice to the CEO(s) for the local workforce development area, providing opportunity for comment prior to decertification. *Note:* Such an action will only be taken when the SETC and NJDOL have determined that all reasonable attempts at technical assistance have been exhausted.

At any time during the two-year certification period, if more than 10 percent of the LWDB membership is removed for cause, a certification must occur to ensure membership compliance and assess board stability.

### **C. Procedures**

To facilitate ongoing certification of a LWDB, the CEO(s) or his/her designee must submit:

1. A current LWDB membership list each year, and
2. The local area's most recent single audit that is both complete and up-to-date.

Any changes in membership must be forwarded, in writing, to the SETC and NJDOL within 15 calendar days of the change.

Although all certifications are conducted every two (2) years, the SETC, in partnership with NJDOL, will review each LWDBs membership list annually to ensure membership composition requirements are maintained. If such requirements are not met, the SETC and NJDOL will provide the technical assistance necessary to aid in compliance.

### **D. Approval**

LWDBs are considered certified when the SETC, NJDOL, and program partners provide the LWDB with a notification of approval. Approval depends on submission of a full/complete application to the SETC, including the LWDB Membership List and other documentation as required.

The SETC may choose not to certify a LWDB for any of the following reasons:

- Membership composition does not comply with federal, state or local membership requirements;
- The LWDB has not submitted a single audit that is complete and up-to-date;
- The LWDB has not sustained fiscal integrity;
- The LWDB has not met local performance accountability measures and any prescribed outcomes as outlined in the local grant agreement; or
- Other reasons as SETC may determine.

If the SETC chooses not to certify a LWDB for any reason, a written notification will be issued to the LWDB stating the reason(s) and the action(s) the LWDB must take to obtain certification.

Failure to achieve certification in a timely manner may result in an interruption of workforce development activities and funding in an LWDA.

#### **E. Decertification**

A LWDB is subject to decertification by SETC under the following conditions:

- failure to meet all LWDB requirements;
- failure to carry out required functions of the LWDB;
- fraud; or
- abuse.

The SETC and NJDOL will develop specific requirements based on submitted certification information providing specific steps for remediation and recertification, and will work in consultation with the CEO(s) to establish a reorganization plan as needed. All requirements and plans will be consistent with WIOA Section 107(c)(3).

#### **F. Appeals**

If the certification process results in the denial of a CEO's application for certification of a LWDB, or the decertification of a LWDB, the LWDA may file an appeal pursuant to the procedures set forth at N.J.A.C. 12:42-3.11.

**Contact:** Inquiries regarding this policy should be directed to [WIOAPolicy@dol.nj.gov](mailto:WIOAPolicy@dol.nj.gov).

**References:**

- Workforce Innovation and Opportunity Act (WIOA or Opportunity Act), Public Law (Pub. L.) 113-128, enacted July 22, 2014
- Training and Employment Guidance Letter (TEGL) No. 19-14, Vision for the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act of 2014, February 19, 2015, [https://wdr.doleta.gov/directives/attach/TEGL/TEGL\\_19-14.pdf](https://wdr.doleta.gov/directives/attach/TEGL/TEGL_19-14.pdf)
- TEGL No. 27-14, Workforce Innovation and Opportunity Act Transition Authority for Immediate Implementation of Governance Provisions, April 15, 2015, [https://wdr.doleta.gov/directives/attach/TEGL/TEGL\\_27-14.pdf](https://wdr.doleta.gov/directives/attach/TEGL/TEGL_27-14.pdf)
- TEGL No. 16-16, One Stop Operating Guidance for the American Job Center Network, January 18, 2017, [https://wdr.doleta.gov/directives/attach/TEGL/TEGL\\_16-16\\_Acc.pdf](https://wdr.doleta.gov/directives/attach/TEGL/TEGL_16-16_Acc.pdf)
- State Employment and Training Commission Policy #2015-01 NJ Local WDB Membership and Appointments: <https://www.nj.gov/njsetc/policy/resolutions/documents/2015-01%20NJ%20Local%20WDB%20Membership%20and%20Appointments.pdf>
- State Employment and Training Commission Policy #2020-20 WDB Certification 2020: <https://www.nj.gov/njsetc/policy/resolutions/documents/2020-02%20WDB%20Certification%202020.pdf>
- NJ Statue 34:15C-15: <https://www.nj.gov/njsetc/about/documents/2.0%20NJSa%2034-15C.pdf>

## Appendix A: Local Workforce Development Board Membership

WIOA further defines board composition in the following ways:

- A. The majority of the members of the Local Workforce Development Board (LWDB) must be representatives of business in the Local Workforce Development Area (LWDA) (WIOA 107(b)(2)(A)). At a minimum, two members must represent small business as defined by the U.S. Small Business Administration. Business representatives serving on LWDBs may also serve on the State Board. Each business representative must meet the following criteria:
1. Be owners of businesses, chief executives or operating officers of businesses, or other business executives or employers with optimum policymaking or hiring authority (WIOA 107(b)(2)(A)(i));
  2. Provide employment opportunities in in-demand industry sectors or occupations, and provide high-quality, work-relevant training and development opportunities to its workforce or the workforce of others (in the case of organizations representing business as per WIOA section 107(b)(2)(A)(ii); and
  3. Be appointed from among individuals nominated by local business organizations and business trade associations (WIOA 107(b)(2)(A)(iii));
- B. Not less than 20 percent of the members of each LWDB must be representatives of the workforce. These representatives:
1. Must include two or more representatives of labor organizations who have been nominated by local labor federations, or other representatives of employees (for areas where labor organizations do not exist);
  2. Must include one or more representatives (must be a training director or a member of a labor organization) of a joint labor-management, or union affiliated, registered apprenticeship program within the area. If no union affiliated registered apprenticeship programs exist in the area, a representative of a registered apprenticeship program with no union affiliation must be appointed, if one exists;
  3. May include one or more representatives of community-based organizations that have demonstrated experience and expertise in addressing the employment needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive integrated employment for individuals with disabilities; and
  4. May include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth.
- C. The balance of membership for each LWDB must include:
1. At least one eligible provider administering adult education and literacy activities under WIOA title II. When there is more than one LWDA provider of adult education and literacy activities under title II, nominations are solicited from those particular entities (WIOA 107(b)(2)(C)(i));
  2. At least one representative from an institution of higher education providing workforce investment activities, including community colleges. When there are multiple institutions of higher education providing workforce investment activities nominations are solicited from those particular entities (WIOA 107(b)(2)(C)(ii)); and

3. At least one representative from each of the following governmental and economic and community development entities:
  - a. Economic and community development entities;
  - b. The state Employment Service Office under the Wagner-Peyser Act (29 U.S.C. 49et seq.) serving the LWDA; and
  - c. The programs carried out under title I of the Rehabilitation Act of 1973, other than section 112 or Part C of that title.
- D. In addition to the representatives enumerated above, the CEO may appoint other appropriate entities in the LWDA, including:
  1. Entities administering education and training activities who represent local educational agencies or community-based organizations with demonstrated expertise in addressing the education or training needs for individuals with barriers to employment;
  2. Governmental and economic and community development entities who represent transportation, housing, and public assistance programs;
  3. Philanthropic organizations serving the LWDA; and
  4. Other appropriate individuals as determined by the CEO, provided the individuals meet all other board member eligibility requirements established in this policy.

## Appendix B: Chief Elected Official Agreement

This agreement is only required where there is more than one unit of general local government (i.e., more than one county) that make up the local workforce development area. In such cases, the Chief Elected Officials (CEOs) must execute a written agreement that specifies the respective roles and liability of the CEOs. The New Jersey Department of Labor and Workforce Development (NJDOLE) and State Employment and Training Commission (SETC) provide the following guidance for this agreement.

- A. Required Inclusions.** CEO(s) within a local workforce development area must enter into an agreement that, at a minimum, includes the following sections.
1. **Liability of funds.** Acknowledge that the CEO, in his/her official capacity, is liable for all workforce funds in the local workforce development area as noted in WIOA Section 107 and outline the process for determining each CEO and their political jurisdiction's share of responsibility as required. This determination should be based on allocation, population, expenditures or other criteria determined by the CEOs.
  2. **Grant recipient and signatory.** Acknowledgement that the CEOs are the grant recipient for all local workforce funds as outlined in WIOA Section 107, unless a fiscal agent designation has occurred. If the CEOs do not appoint a fiscal agent, they must outline the process they will use to sign contracts and enter into agreements related to WIOA. This may be accomplished by designating signatory authority to a lead CEO. If a lead CEO is used in this capacity, CEOs must include the information outlined in Subsection B(1).
  3. **Fiscal agent designation.** If a fiscal agent is designated, an agreement must be executed as detailed in **Appendix C, Fiscal Agent Agreement.**
  4. **LWDB budget approval.** Describe the process for reviewing and approving the LWDB annual budget as required in WIOA.
  5. **Participating CEOs.** The agreement must contain the name, representation, contact information, signature and date for each participating CEO in the local workforce development area.
  6. **Amendment or change to the CEO agreement.** Outline the process that will be used for the amendments or changes to the CEO agreement. All amendments or changes must be maintained by the LWDB and must be made available upon request by any federal or state agencies.
- B. Recommended Inclusions.** In order to improve the coordination and functionality of the local workforce system, CEOs are encouraged to address the following items in their agreement.
1. **Designation of a lead CEO.** NJDOLE and SETC encourage CEOs to select a lead CEO who will act on behalf of the other CEOs. If a lead is appointed, the following information must be sent to NJDOLE and SETC.
    - a. Appointment process and term of the lead;
    - b. Designation of the lead to serve as the signatory for the CEOs;
    - c. Decisions that may be made by the lead on behalf of the CEOs; and

- d. Name, title and contact information of the appointed lead.
2. **LWDB representation.** Outline how the CEOs will ensure LWDB representation is in compliance with federal and states statutes, regulations and policies. Additionally, NJDOL and SETC suggest that in multi-county areas, the board representation be a fair and equitable factor in all counties with the local workforce development area.
  3. **Communication.** Describe how the CEOs will communicate with one another regarding LWDB activities. NJDOL and SETC encourage the establishment of a method for communications between the CEOs as a group, as well as with the LWDB members.
- C. Election of a New CEO.** Within 120 days of when a new CEO begins office within the local workforce development area, the LWDB must ensure the new CEO submits to the LWDB a written statement acknowledging that he or she:
1. Has read, understands and will comply with the current CEO agreement; and
  2. Reserves the option to request negotiations to amend the CEO agreement at any time during the official's tenure as a CEO.



## Appendix C: Chief Elected Official and Fiscal Agent Agreement

The Chief Elected Officials (CEOs) of a Local Workforce Development Area (LWDA) opting to designate a fiscal agent for workforce funds that are allocated to the local area must enter into an agreement with the fiscal agent.

Note: In LWDA's where the CEO(s) has designated the Local Workforce Development Board (LWDB) and/or staff to the LWDB to serve as the fiscal agent, the LWDB may combine the CEO and **Fiscal Agent Agreement and the Chief Elected Official and Local Workforce Development Board Partnership Agreement**.

New Jersey Department of Labor and Workforce Development (NJDOLE) and State Employment and Training Commission (SETC) provide the following guidance for this agreement:

- A. **Required Inclusions.** CEO(s) within a local workforce development area must enter into an agreement with the designated fiscal agent entity that, at a minimum, includes the following sections.
1. **Parties.** Identify the entity that has been designated as the fiscal agent for workforce funds in the local workforce development area, as well as the identity of the participating CEO(s).
  2. **Purpose.** To outline the agreement between the CEO(s) and the designated fiscal agent on the roles and responsibilities of the entity designated as fiscal agent.
  3. **Term of agreement.** This section of the agreement must include the start and end dates of the agreement. It must also outline the circumstances for termination outside the term and the procedure to do so.
  4. **Roles and responsibilities.** Acknowledge the roles and responsibilities of the fiscal agent with regard to the local workforce funds. Such roles and responsibilities include, but are not limited to:
    - a. **Contracts.** The fiscal agent shall oversee the contracting process between the LWDB and its service providers. Contracts shall include, at a minimum:
      - 1) A statement of work covering the services to be provided, measurable outcomes and penalty provisions;
      - 2) Catalog of Federal Domestic Assistance title and number;
      - 3) Award name and number;
      - 4) Federal agency and pass-through state agency; and
      - 5) Funding availability timeframes.

All documents must be maintained by the fiscal agent in accordance with established records retention requirements.
    - b. **Reporting.** The fiscal agent is responsible for submitting accurate and timely financial status reports, making adjustments when necessary and ensuring reporting mechanisms are uniform. Additionally, the fiscal agent is responsible for ensuring expenditures are allocated against

appropriate cost categories and with cost limitations as specified in federal and state statutes, regulations and policies.

- c. **Reconciliation.** The fiscal agent is responsible for reconciling records/reports in a timely manner and at least on a quarterly basis; reviewing and updating, if necessary, its reconciliation process on an annual basis; and ensuring that combined disbursements, receipts, accruals, obligations and cash balances of sub-grantees and the fiscal agent match those reported to NJDOL.
  - d. **Monitoring.** The fiscal agent is responsible for overseeing and monitoring the fiscal activities of the local workforce development area, sub-recipients, service providers and contractors; communicating all fiscal related audit findings, including any corrective actions, to the LWDB and sub-recipients; and providing technical assistance to the LWDB and service providers with regard to financial issues.
5. **Assurances.** The fiscal agent must assure that:
- a. It will receive and manage all federal, state or local workforce funds for the local workforce development area;
  - b. It is responsible for the receipt, disbursement, accounting and reporting of all funds related to program operations based on the federal, state or local workforce funds of the local workforce development area;
  - c. It will maintain adequate systems of internal control to ensure compliance with rules and regulations, to include a description of the internal control system to be used; and
  - d. The processes are in place to approve draw requests from and issue funding to subrecipients and vendors.
6. **Contract procedures.**
- a. **Authority.** This section of the agreement must describe who has the authority and/or responsibility to amend, modify, resolve, or otherwise process these procedures, including the process to execute this agreement.
  - b. **Modification.** This section must also include the circumstances for modification, and the procedure to do so.
7. **Authority and signatures.**
- a. **Authority of the CEO(s) and fiscal agent signatory.** This section of the agreement should include such narrative as, "The individuals signing this agreement have the authority to commit the parities they represent to the terms of this agreement and do so by signing below."
  - b. **Signature counterparts.** All parties to this agreement must sign the agreement. This section of the agreement may include the following language to allow for signatures at the same time: "This agreement may be executed in any one or more counterparts, the originals of which, when

taken together and bearing the signatures of all parties to this agreement, shall constitute one and the same agreement.”

8. **Election of a new CEO.** Within 120 days of when a new CEO begins office within the local workforce development area, the LWDB must ensure the new CEO submits to the LWDB a written statement acknowledging that he or she:
  - a. Has read, understands and will comply with the current CEO agreement, and;
  - b. Reserves the option to request negotiations to amend the CEO agreement at any time during the official's tenure as a CEO.

## Appendix D: Local Workforce Development Board Partnership Agreement

To ensure the criteria established by the Workforce Innovation and Opportunity Act (WIOA) and the state are acknowledged by both the Chief Elected Officials (CEOs) and the members of the Local Workforce Development Board (LWDB), New Jersey Department of Labor and Workforce Development (NJLWDB) and State Employment and Training Commission (SETC) require that a partnership agreement established between both parties that make up a local workforce development area. The following guidance has been established for this agreement.

- A. Required Inclusions.** The LWDB and CEO(s) must enter into a partnership agreement that, at a minimum, addresses the following sections.
1. **LWDB membership.** WIOA authorizes CEO(s) to appoint the members of the LWDB in accordance with the criteria established under Section 107(b) of the WIOA and the guidelines in this policy. Authority to appoint members to the LWDB lies solely with the CEOs.
  2. **Relationship between CEO(s) and the LWDB.** Establish roles and responsibilities of the CEO(s) and the LWDB along with a description of the partnership and specific responsibilities.
    - a. **Local plan requirements.** Describe how the local plan will be developed in partnership between the CEO(s) and the LWDB.
    - b. **Budget and approval.** As referenced in WIOA 107, describe how the LWDB will develop the Local workforce development area's budget and the process for obtaining the CEO's approval.
    - c. **Workforce system operator.** Establish the guidelines that will be followed by the LWDB for selection of a local workforce system Operator, including the process for getting a CEO agreement on the selection.
    - d. **LWDB policies.** Describe the process for approving local workforce policies.
    - e. **Memorandum of understanding.** Describe the process for demonstrating CEO's agreement on the memorandum of understanding between workforce system partners and the LWDB.
  3. **Authorized signatures.** The partnership agreement must be signed by the current CEOs that have been identified as participating in the CEO agreement and by the local workforce development board chair at the time of the signing.
  4. **Amendments, change, or election.** Any amendment or change to the partnership agreement, notice of an election of a new CEO, or notice of an election of a new LWDB chair must be maintained at the LWDB office be made available for monitoring by NJLWDB. If a new CEO or LWDB chair is elected within a local workforce development area, the newly elected individual must submit to the LWDB a written statement acknowledging that he or she:
    - a. has read, understands, and will comply with the current partnership agreement; and

- b. reserves the option to request negotiations to amend the partnership agreement at any time during the individual's tenure.
- B. Recommended Inclusion.** Establish requirements for providing updates/sharing information with the CEOs regarding activities, performance outcomes, and budgets. It is suggested by NJDOL and SETC to have at least one joint meeting held annually between the CEOs and the LWDB.

## Appendix E: Required and Optional One Stop Partnerships

### Required WIOA Partners

Partners	Partnership Description
<b>Title I Adult, DW, and Youth Programs</b>	Title I programs provide tailored career and training services to support the individual needs of job-seekers of the American Job Center network. Title I programs are responsible for combined planning, shared performance indicators, and aligned service delivery with other core and One Stop partner programs.
<b>Title I Indian and Native American Programs</b>	The Indian and Native American (INA) Employment and Training Program helps qualifying American Indians, Alaska Natives and Native Hawaiians (AI/AN/NH) obtain employment in occupations that provide a wage that leads to self-sufficiency and eventually into the middle class.
<b>Title 1 NFJP (National Farmworker Job Program)/MSFW (Migrant and Seasonal Farmworker)</b>	The National Farmworker Jobs Program (NFJP) is a nationally-directed, locally-administered program of services for migrant and seasonal farmworkers (MSFWs). The program partners with community organizations, state agencies, and State Monitor Advocates to provide appropriate career and training services, youth services, housing assistance services, and related assistance services, to eligible migrant and seasonal farmworkers, and their dependents. USDOL contracted with PathStone as the national grantee to provide MSFW program services in Atlantic County (Atlantic WDB) and Cumberland County (Cumberland/Salem/Cape May WDB). These WDBs must enter into MOUs with Pathstone for the MSFW program.
<b>Title 1 Job Corps</b>	Job Corps is a required partner where the services are provided. The objective of Job Corps is to support responsible citizenship and provide young people, ages 16-24, with the skills that lead to successful careers that will result in economic self-sufficiency and opportunities for advancement. In areas where the only activities are recruitment/intake, they are an additional partner, and the LWDB can include them in the IFA at its discretion.
<b>Title 1 YouthBuild</b>	YouthBuild is a discretionary grant program that serves 16-24 year old youth who are high school dropouts or those who have dropped out and subsequently re-enrolled. YouthBuild combines academics to support secondary diploma or equivalency receipt for participants with hands-on occupational skills training in construction and/or other in-demand industries, resulting in industry-recognized credentialing. The program also includes a strong emphasis on leadership development, community service, and soft-skills competencies.
<b>Title III Unemployment Compensation</b>	Individuals who have lost employment due to lack of suitable work and have earned sufficient wage credits may receive Unemployment Insurance (UI) benefits if they meet initial and continuing eligibility requirements. The American Job Center network must provide reemployment services to UI claimants for whom such services are required as a condition for receipt of UI benefits. Services must be appropriate to the needs of UI claimants who are referred to reemployment services under any Federal or State UI law.
<b>Title III Wagner Peyser</b>	The ES program provides “universal access” to job seekers seeking employment and career services, provides referrals to partner programs, and provides reemployment services to individuals receiving unemployment insurance.

Partners	Partnership Description
<b>SCSEP (Senior Community Service Employment)</b>	The Senior Community Service Employment Program (SCSEP) is a community service and work-based job training program for older Americans. Authorized by the Older Americans Act, the program provides training for low-income, unemployed older Americans and supportive services that allow them to participate in the training. NJDOL is responsible for directly providing Senior Community Service Employment in most local workforce development areas. NJDOL does not directly provide SCSEP in Bergen, Burlington, Greater Raritan Essex and Passaic.
<b>TAA Program (Trade Adjustment Assistance)</b>	Trade Adjustment Assistance Program (TAA Program) and provide assistance to workers who have been adversely affected by foreign trade. The TAA program seeks to provide adversely affected workers with opportunities to obtain the skills, credentials, resources, and support necessary to become reemployed.
<b>Jobs for Veteran State Grants</b>	JVSG is a key partner in the workforce system providing Disabled Veterans' Outreach Program (DVOP) specialists who provide key services to veterans with significant barriers to employment, and Local Veterans Employment Representatives (LVERs), who provide outreach to employers to help veterans achieve employment.
<b>REO (Reentry Employment Opportunities)</b>	REO is authorized under the Workforce Innovation and Opportunity Act of 2014 (WIOA), and tests the effectiveness of service delivery models found in community, faith-based organizations, and government systems for their adoptability in assisting the reentry population enter the workforce. REO projects also promote collaboration and coordination between community-based organizations, foundations, state and local justice agencies, community colleges, and the workforce system.
<b>Title II AEFLA (Adult Education and Family Literacy Act) program</b>	Title II of WIOA reauthorizes the Adult Education and Family Literacy Act (AEFLA). AEFLA, administered by the U.S. Department of Education, is designed to create a partnership among the Federal Government, States, and localities to provide, on a voluntary basis, adult education and literacy activities. Each LWDB must enter into the MOU for Adult Education programs with the local entity who was awarded a Title II Adult Education and Family Literacy grant.
<b>Title IV State VR (Vocational Rehabilitation) Service program</b>	Vocational rehabilitation services are designed to improve and align core programs towards the goal of assisting individuals with disabilities to maximize employment, economic self-sufficiency, independence, and inclusion and integration into society. Vocational rehabilitation services are provided by two entities in New Jersey; the Division of Vocational Rehabilitation Services and the Commission for the Blind and Visually Impaired.
<b>CTE (Career technical education programs) at postsecondary level - Carl D. Perkins Act</b>	The Carl D. Perkins Career and Technical Education Act of 2006 (Perkins IV) is a principal source of federal funding to states for the improvement of secondary and postsecondary career and technical education (CTE) programs across the nation. The purpose of the Act is to develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in CTE programs.
<b>HUD</b>	Recipients of certain HUD financial assistance should have access to the training, employment, contracting and other

Partners	Partnership Description
<b>Employment and Training programs</b>	economic opportunities. This includes low- and very low-income persons, especially recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very low-income persons.
<b>HHS Employment and training activities carried out under Community Services Block Grant</b>	The CSBG provides assistance to States and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low- income families and individuals in rural and urban areas to become fully self-sufficient. CSBG-funded organizations are a resource for providing supportive services.
<b>TANF (Temporary Assistance for Needy Families) programs</b>	The local TANF program is a required partner in the American Job Center network. TANF serves individuals who also may be served by WIOA programs and, through appropriate linkages and referrals, these customers will have access to a broader range of services through the cooperation of the TANF program in the One Stop delivery system. TANF participants, who are determined to be WIOA eligible, and who need occupational skills training may be referred through the American Job Center network to receive WIOA training, when TANF grant and other grant funds are not available to the individual.



### Optional WIOA Partners

Partners	Partnership Description
<b>Ticket-to-Work</b>	TTW is a free and voluntary program that can help Social Security beneficiaries go to work, get a good job that may lead to a career, and become financially independent, while they keep their Medicare or Medicaid. As part of TTW, Employment Networks (ENs), with the Social Security Administration (SSA), provide employment support services to beneficiaries. Because there has been an increasing trend of the number of people applying for disability benefits, there is a significant role for American Job Centers to become ENs and help provide high quality services resulting in employment for Ticket holders. ENs receive payments from SSA when Ticket holders they serve work and achieve benchmark earnings levels.
<b>SNAP</b>	SNAP offers nutrition assistance to millions of eligible, low-income individuals and families and provides economic benefits to communities. SNAP is the largest program in the domestic hunger safety net. The Employment & Training (E&T) program and its components assist SNAP participants in gaining skills, training, work or experience that will increase their ability to obtain regular employment. The components of an E&T program are designed to help SNAP clients move promptly into employment.
<b>Small Business Administration (SBA) Programs</b>	ETA encourages LWDBs and American Job Centers to partner with SBA programs to provide resources for aspiring entrepreneurs and self-employed individuals. Partnering with local entrepreneurial resources can help adults and dislocated workers see if starting a business is right for them. There are Small Business Development Centers (SBDCs) located in communities across the nation which provide assistance to small businesses and aspiring entrepreneurs.
<b>Client Assistance Program (CAP) (Rehabilitation Act of 1973, as amended by WIOA title IV)</b>	The purpose of this program is to advise and inform clients, client applicants, and other individuals with disabilities of all the services and benefits available to them under the Americans with Disabilities Act (ADA). A CAP agency may provide assistance and advocacy with respect to services that are directly related to employment for the client or client applicant.
<b>Public Libraries</b>	WIOA explicitly identifies public libraries as potential partners of the American Job Center network, and acknowledges libraries' ability to provide an expansive array of job search services. It also recognizes libraries as important providers of Federally-supported training and employment for adult education and literacy.
<b>National Dislocated Worker Grants (WIOA Title I)</b>	National Dislocated Worker Grants (DWGs) provide employment and training services for dislocated workers and other eligible populations and disaster relief employment. Employment-recovery DWGs expand service capacity of the workforce system temporarily by providing time-limited funding assistance in response to major economic dislocations or other events that affect the U.S. workforce that cannot be accommodated with WIOA formula funds or other existing resources.
<b>Human Service Transportation Coordination</b>	LWDBs have the opportunity to establish partnership activities between the American Job Center and local transportation agencies to address transportation barriers.
<b>Mental Health Agencies</b>	LWDBs have the opportunity to establish partnership activities between the American Job center and local mental health agencies to address mental health barriers.

