
**Workforce Investment Act
State Compliance Policies**

SECTION : 1.5

Memorandums of Understanding

August 2000

I. MEMORANDUM OF UNDERSTANDING (MOU):

- A. The MOU is an agreement between the One Stop Partners and the Local Workforce Investment Board (LWIB), with the consent of the chief elected officials, to establish a process to maintain and govern the operation of a One-Stop delivery system in the local workforce area. [' 662.300(a)]
- B. Since funds are generally appropriated annually, financial agreements may be negotiated with each partner on an annual basis to clarify funding of services and operating costs of the system under the MOU.

II. MINIMUM PROVISIONS FOR A MOU [Section 121(c)(2) and ' 662.300(b)]:

- A. Each MOU must contain at a minimum the following provisions:
 - 1. A description of the services to be provided through the One-Stop delivery system;
 - 2. Funding services and the operating costs of the system;
 - 3. Methods for referral of individuals between the One-Stop operator and the One- Stop partners;
 - 4. The duration of the MOU and the procedures for amending the MOU;
 - 5. And any other provisions, consistent with the requirements of Title I and regulations, agreed to by the parties.

III. SINGLE OR INDIVIDUAL MOU:

- A. A single Umbrella@MOU may be developed that addresses the issues relating to the local One-Stop delivery system for the LWIB and all partners, or:
- B. The LWIB and its partners may decide to enter into separate agreements between the

LWIB and one or more other partners.

IV. WHEN A MOU IMPASSE OCCURS [' 662.310(b)]:

- A. LWIBs and partners must enter into good-faith negotiations.
- B. LWIBs and partners may request assistance from the lead state agency, the organization or agency responsible for administering the program, the Governor, SWIB or other appropriate parties.
- C. The State agency(ies), SWIB and the Governor may also consult with appropriate Federal officials to address impasse situations after exhausting other alternatives.
- D. The LWIB and a disagreeing partner must document the negotiations and efforts that have taken place.
- E. Any failure to execute a MOU between a LWIB and a required partner must be reported by the LWIB and the required partner to the Governor , SWIB and the State agency responsible for administering the partner-s program. The Governor, State Board and State agency must report the breach to the Secretary of Labor and to the head of any other Federal agency with responsibility for oversight of the partner-s program.

V. WHEN AN IMPASSE CANNOT BE RESOLVED [' 662.310(c)]:

- A. If an impasse cannot be resolved, any partner that fails to execute a MOU may not be permitted to serve on the LWIB or receive benefits from WIA funds and programs.
- B. Any local area in which the LWIB has failed to execute a MOU with all of the required partners, is not eligible for State incentive grants awarded for the local coordination of activities.
- C. These sanctions are in addition to, not in lieu of, any other remedies that may be applicable to the Local Board or to each partner for failure to comply with the statutory requirement. [§662.310(c)]