

First Addendums to Memorandum of Understanding

Between

Delaware Workforce Development Board (DWDB)

And

Delaware Department of Labor, Unemployment Insurance (DUI); Employment and Training (DET); and Vocational Rehabilitation (DVR)

1. This Memorandum is the Infrastructure Funding Agreement (IFA) governing the allocation of infrastructure costs between the Workforce Innovation and Opportunity Act (WIOA) required partners which have physical presence in the state's American Job Centers (also known as the One Stop System).
2. Period Covered. This Memorandum covers the period from January 30, 2018 to June 30, 2018.
3. The Required Partners have reached a consensus for funding the One Stop Infrastructure:
 - a. This IFA shall constitute an addendum to already existing partners MOUs of DUI, DET, and DVR One Stop Partner.
 - b. To conduct reviews of this memorandum semi-annually, or when a partner restructures services, which materially change a partner's presence in the AJC, such as a change to a process flow or personnel staffing within an AJC resulting in a drop or increase in utilization.
 - c. To purchase, replace, and/or upgrade furniture used by their staff and/or customers in accordance with state budgeting and purchasing procedures. Current budgeted funds will be used as intended by the State of Delaware.
 - d. The current usage of facilities making up the American Job Centers (AJC) represents proportional usage and relative benefit received and that proportional usage generally reflects the percentage cost allocations listed below. Required partners will pay these costs using the currently established systems, due dates and financial methods already in place throughout the Delaware Department of Labor.

AJC Locations	Unemployment Insurance	Vocational Rehabilitation	Employment and Training
Fox Valley	47%	23%	30%
Pencader	34%	32%	34%
Blue Hen	36%	25%	39%
Georgetown	30%	27%	43%
Hudson			100%
Overall less Hudson	41%	25%	34%

e. The Delaware Department of Labor, Division of Employment and Training (DOL-DET) is solely responsible for costs associated with its affiliate site – the Hudson Center.

f. Delaware’s publicly funded One Stop System is housed in four locations in three counties throughout the state. Because the One Stop Allocation process is “based on partner programs’ proportionate use of the system and relative benefit received,” these locations include the Delaware Department of Labor Divisions of Unemployment Insurance; Vocational Rehabilitation; and of Employment and Training. This MOU covers AJC sites located at:

Wilmington:

Fox Valley American Job Center
4425 North Market Street
Wilmington, DE 19802

Newark (Pencader Corporate Center):

Pencader American Job Center
225 Corporate Blvd.
Suite 211
Newark, DE 19702

Dover

Dover American Job Center
Blue Hen Corporate Center
655 S. Bay Road, Suite 2H
Dover, DE 19901

Georgetown:

Georgetown American Job Center
8 Georgetown Plaza, Suite 2
Georgetown, DE 19947

g. DOL-DET and DOL-DVR deliver career services in Delaware’s One Stops and will continue to deliver those services in accordance with applicable state and federal law. Current contributions percentages minus administrative costs are:

DOL-DET	DOL-DVR	Total
\$6,486,311	\$6,935,162.00	\$13,421,473.00
48%	52%	

4. MOU Term, Modification, and Termination. This MOU is effective 30 January 2018 thru 30 June 2018, and can be amended at any time by written agreement of all parties, which amendment will not be effective until 30 days after such written agreement.”

5. Appeals. Because the Workforce Innovation and Opportunity Act of 2014 section 121(h)(2)(E) and 20 CFR § 678.750, Final Rule, dated August 19, 2016 requires an appeals process for the Infrastructure Funding Agreement, The partners agree to adhere to DWDB Policy Letter #2017001 entitled Policy #2017001 Appeals Process for Funding The Infrastructure Cost Of One Stop System dated April 19, 2017. The entire text of the Policy letter states:

SUBJECT: Policy #2017001 Appeals Process for Funding The Infrastructure Cost Of One Stop System

*References: Workforce Innovation and Opportunity Act of 2014 section 121(h)(2)(E)
20 CFR § 678.750, Final Rule, dated August 19, 2016*

- 1. The Delaware Workforce Development Board (DWDB) establishes this appeals process for funding the infrastructure cost of One Stop System.*
- 2. One Stop partners will, to the greatest extent possible, resolve conflicts at the lowest level possible. This resolution usually occurs at the division or comparable unit level.*
- 3. Only a division director of a participating One Stop Partner directly affected by an allocation may initiate an appeal and that appeal only addresses infrastructure costs allocations based on proportional use.*
- 4. The DWDB executive committee will hear appeals with a notification as a special meeting; the DWDB Executive Director will post the special meeting notice on Delaware's Government Information Calendar Website. Normal quorum rules will apply and the DWDB chairman will chair an appeal hearing.*
- 5. The appellate process is:*
 - The director initiates the appeal by providing a written request to the DWDB Executive Director. The written request must specifically address the cost allocation/proportional use concern. The request will detail the efforts made to resolve the impasse.*
 - The DWDB Executive Director will, within 14 days, schedule an appeal hearing. The executive committee will meet as soon as a quorum is available and all parties to the dispute are available.*

- *The executive committee will hear from all parties and make a final determination using a majority vote of the quorum.*

6. Methodology. Because the Workforce Innovation and Opportunity Act of 2015; Training and Employment Guidance Letter 17-16, Entitled Infrastructure Funding of the One Stop Delivery System, dtd. January 18, 2017, requires an overview of the methodology used to determine the allocation I have included the DWDB guidance document published on December 27, 2017, which reads:

SUBJECT: Infrastructure Funding Agreement (IFA)

References: Workforce Innovation and Opportunity Act of 2015; Training and Employment Guidance Letter 17-16, Entitled Infrastructure Funding of the One Stop Delivery System, dtd. January 18, 2017.

1. Purpose. This MOU is the agreement between the Delaware's Required One Stop Partner and specifies the Infrastructure Cost Allocation covering the period from 1 January 2018 to 1 July 2018.

2. Overview. Delaware's publicly funded One Stop System – the cornerstone of the workforce system – is required to allocate infrastructure costs across the spectrum of required One Stop Partners.

While many may contribute to the One Stop System in several forms, this Infrastructure Cost Allocation process is "based on partner programs proportionate use of the system and relative benefit received." For us, the Delaware Department of Labor, Divisions of Unemployment Insurance; Division of Vocational Rehabilitation; and the Division of Employment and Training are the largest sharers of resources. Registered apprenticeship falls under DET

3. Next Steps. The Delaware Workforce Development Board, Executive Director will develop and distribute a draft Infrastructure Funding Allocation (IFA) no later than December 20, 2017 for inclusion in the Partner MOUs. Even so, most of Delaware's One Stop System is already co-located and contributing resources.

a. The DWDB Executive Director(ED) will coordinate with the partners which have a physical presence in the One Stop/American Job Centers (AJC) to determine the current allocation. He/she will then take that data, develop a total and then develop

percentages of contributions. This will become the foundational percentages of shared resources.

b. The ED will query all partners to determine if any are "tenants" in an AJC. The ED will include a calculation concerning tenants relative to "shared" costs.

c. The End State for all calculations on the partner MOUs will be percentages (instead of actual dollar amounts). For example if DET's monthly expenses in Fox Valley are 14 percent, than its share is also 14 percent.

d. Individual divisions are responsible for their own equipment purchases and upgrades. The partner MOUs will reflect that reality.

e. The ED will research Shared Operating Costs and Shared Services and ask partners for additional information as needed.

f. The DWDB will approve the cost allocations at the January 9, 2018 meetings.

4. I am the point of contact at 302-761-8163 or William.potter@state.de.us.

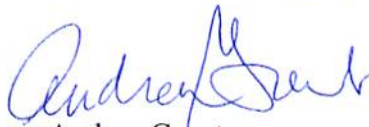
7. William J. Potter, DWDB, Executive Director at 302-761-8163 is the point of contact for this IFA.



Stacey Laing
Director,
DET
Date 1/29/2018



Tom Ellis
Director
UI
Date 1/29/18



Andrea Guest
Director
DVR
Date 1/28/18



William J. Potter
Executive Director
DWDB
Date 1/29/18

