



Workforce Services Guidance (Interlocal and Partnership Agreements Concerning Roles and Responsibilities of Chief Local Elected Officials and Local Elected Officials) – WIOA

Note:

This guidance has been updated to reflect the re-alignment of Tennessee’s workforce system. Re-alignment was recommended by the State Workforce Development Board (SWDB) on May 11, 2018, and adopted by the Governor on May 24, 2018.

Effective Date: June 1, 2018

To: Chief Elected Officials, Local Elected Officials, Local Board Chairpersons

Subject:

This memorandum outlines the requirements for the development and execution of Interlocal Agreements and Partnership Agreements, as mandated under the Workforce Innovation and Opportunity Act (WIOA).

References:

20 CFR 683.710(b)(2), 20 CFR 683.710(b)(3), TEGL 27-14, WIOA Section 107, WIOA Section 107(b), WIOA Section 107(c)(1)(A), WIOA Section 107(c)(1)(B), WIOA Section 107(c)(1)(B)(i), WIOA Section 107(d)(12)(B)(i)(I), Workforce Services Guidance - Local Workforce Development Board Member Nomination Process, Workforce Services Memorandum – Roles and Responsibilities of Chief Local Elected Officials, Workforce Services Policy (16-11) – Local Governance

Note:

Due to Local Workforce Development Area (LWDA) realignment, the newly aligned LWDAs must convene as county/consolidated metropolitan mayors and select a Chief Local Elected Official (CLEO) to represent and govern the LWDA—as the grant recipient—no later than July 1, 2018.

Immediately following selection, the CLEO must execute the Interlocal Agreement. Additionally the CLEO must designate a fiscal agent or determine that their county will serve as fiscal agent. Designation of a fiscal agent does not relieve the CLEO of their duties

nor does it relieve the county governments of liability for misuse of federal funds. (**CLEO Roles and Responsibilities Memorandum, page 4**)

It is imperative that these actions are completed, no later than the first week of July, to allow funding to reach the newly realigned areas to aid with initial start-up and administrative expenditures. TDLWD will not be able to issue funding to the re-aligned areas until a CLEO is selected and a fiscal agent is designated.

Background:

The roles and responsibilities of Local Elected Officials (LEOs), the CLEOs, and the Local Workforce Development Board (LWDB) should be outlined in two separate agreements: the Interlocal Agreement and the Partnership Agreement. These documents can, and should, be amended when a need arises. Any amendments must be made with consent of all signatories.

Definitions:

- **Local Elected Official (LEO):** LEOs are the heads of local units of government. This title defaults to the county mayors, unless a local area has a consolidated city-county metropolitan government. The three consolidated counties are Nashville-Davidson County, Lynchburg-Moore County, and Hartsville-Trousdale County.
- **Chief Local Elected Official (CLEO):** – The CLEO is the chief executive selected from the consortium of LEOs in the LWDA.
- **Local Workforce Development Board (LWDB):** – A LWDB established under **WIOA Section 107**.
- **Interlocal Agreement:** A written agreement that specifies the responsibilities of the CLEO and individual LEO(s) in regard to the governance of the LWDA.
- **Partnership Agreement:** A written agreement that specifies the relationship between the CLEO and LWDB and outlines the roles, responsibilities, and liabilities of each party.

Purpose:

As explained in **WIOA Section 107(c)(1)(B)**, when a LWDA includes more than one (1) unit of government, the LEOs of each unit must execute a written agreement that specifies the responsibilities of each individual LEO. Only the executive of a county government or a consolidated metropolitan government can serve as the grant recipient and act as a LEO/CLEO. Each county in Tennessee has a county mayor/executive, including consolidated city-county metropolitan governments. This county mayor is considered, under WIOA, to be the LEO serving that area. Non-consolidated counties in Tennessee contain municipalities; however, the mayors of those municipalities are not considered to be the LEOs, or CLEO, for purposes of WIOA grant recipient or WIOA local governance.

The Interlocal Agreement specifically outlines how each local government will be

responsible for the administration of WIOA within the LWDA, particularly concerning financial oversights. *Updated Interlocal Agreements must be in place, to meet WIOA compliance, by July 1, 2018, or the first week of July, 2018 immediately following the selection of the CLEO. The Partnership Agreement demonstrates how each CLEO and LWDB will collaborate to set the vision within the LWDA. LWDBs must be in place no later than August 1, 2018. Partnership Agreements must be executed immediately thereafter, no later than October 1, 2018 (in the event boards need additional time to meet and execute the agreement).*

The Interlocal Agreement must be sent to the Tennessee Department of Labor and Workforce Development (TDLWD) for review at Workforce.Board@tn.gov. CLEOs must be selected by July 1, 2018 and the Interlocal Agreement must be executed immediately thereafter.

Section A: Interlocal Agreement

Background:

The Interlocal Agreement defines the responsibilities, duties, and liabilities between the LEOs to provide coordination when multiple counties exist within a LWDA. Ultimately, the purpose of this agreement is to provide a clear, organized plan for the CLEO and LEOs to carry out their vision for how the LWDA will operate.

I. Purpose of the Interlocal Agreement:

WIOA Section 107(c)(1)(B) MULTIPLE UNITS OF LOCAL GOVERNMENT IN AREA. –

(i) IN GENERAL – In a case in which a local area includes more than one unit of general local government, the chief elected officials of such units may execute an agreement that specifies the respective roles of the individual chief elected officials.--

(I) In the appointment of the members of the local board from the individuals nominated or recommended to be such members in accordance with the criteria established under subsection (b); and

(II) In carrying out any other responsibilities assigned to such officials under this title.

(ii) LACK OF AGREEMENT. – If, after a reasonable effort, the chief elected officials are unable to reach agreement as provided under clause (i), the Governor may appoint the members of the local board from individuals so nominated and recommended.

II. Required Inclusions of the Interlocal Agreement:

LEOs must enter into an agreement with each other that, at a minimum, includes the following sections:

A. State the Purpose of the Agreement:

Describe the purpose and the term of the Interlocal Agreement (not to exceed two [2] years).

B. Designation of a Chief Local Elected Official:

The LEOs are required by WIOA to provide guidance on a number of LWDB activities. TDLWD requires the LEOs to select a CLEO who will represent the LEOs in the LWDA. This Interlocal Agreement must include the following information:

- Selection/appointment process and term of the CLEO
- The designation of the CLEO to serve as the signatory for the LEOs
- An outline of decisions that may be made by the CLEO on behalf of the LEOs
- Name, title, and contact information of the appointed CLEO

C. Participating Local Elected Officials:

The position of LEO defaults to the county mayors, unless a local area has a consolidated city-county metropolitan government. The consolidated city-county executive is considered the LEO. The three consolidated counties are Nashville-Davidson County, Lynchburg-Moore County, and Hartsville-Trousdale County. The agreement must contain the name, representation, contact information, and signature of each LEO in the LWDA. The agreement must define the process for LWDB nomination. All LEOs in the LWDA must:

- Enter into an agreement that determines how the LWDB nominees will be selected, appointed, removed, or reappointed in adherence to **TEGL 27-14**
- Document this process in the agreement

For more information concerning the nomination and appointment process for members of a LWDB, please reference the **Workforce Services Guidance - Local Workforce Development Board Member Nomination Process**.

D. Dispute Resolution:

The Interlocal Agreement must state how disputes among LEOs will be resolved regarding LWDB appointments and carrying out other responsibilities under WIOA.

E. Fiscal Agent or Grant Subrecipient Designation:

The CLEO may designate an entity to serve as the local fiscal agent or local grant subrecipient for WIOA funds. Such designation shall not relieve the CLEO of the liability for any misuse of grant funds as apportioned in the Interlocal Agreement. Liability of individual jurisdictions must be included in the agreement if disbursed among all local units of government. **(20 CFR 683.710(b)(2))**

F. Grant Recipient/Liability of Funds:

The Interlocal Agreement must indicate the CLEO's acknowledgement of their county serving as grant recipient and outline the process for determining each

county's share of responsibility. **(20 CFR 683.710[b][2])**

1. This determination of liability could be based on:

- Allocation
- Population
- Expenditures
- Other criteria determined by the CLEO

2. The Interlocal Agreement must contain:

- A detailed process for reconciling disallowed costs
- Liability for costs rests with the entity responsible for incurring the cost, in most cases, which are recommended for disallowance and which are not resolved

In the event the entity responsible cannot or will not assume the liability, the Interlocal Agreement must provide the process on how funds will be reimbursed.

G. Communication:

Describe the process and procedures the CLEO will use to keep the LEOs informed regarding LWDB activities. Determine how many times a year the LEOs will meet and how often a joint meeting with the LWDB will be held.

H. LWDB Budget Approval:

Describe the process for reviewing and approving the LWDB annual budget among the LEOs, subject to approval by the CLEO. **(WIOA Section 107[d][12][A])**
Describe the process for fiscal oversight and fiscal performance review that takes place throughout the year.

I. LWDB Member Representation:

Outline how LEOs will ensure LWDB representation is fair and equitable across the LWDA, and is in accordance with WIOA policy regarding LWDB member nominations **(Workforce Services Policy (16-11) - Local Governance, page 4)**. The agreement must also outline the term limits for members serving on the LWDB, including replacement in the event that a member's position becomes vacant mid-term.

J. Chief Local Elected Official Acknowledgement:

When a new CLEO is selected, in accordance with the Interlocal Agreement, the newly selected CLEO must submit a written statement to the LWDB acknowledging that they have read, understood, and will comply with the

current Interlocal Agreement.

K. Election of a New County Mayor:

In the event that a new county mayor is elected, the LWDB is required to inform the new LEO(s)—in a timely manner—of their responsibilities and liabilities as well as the need to review and update any written agreements among the LEOs **(20 CFR 683.710[b][3])**. Once the new LEO has had an opportunity to review the Interlocal Agreement they must submit a written statement to the LWDB acknowledging that they:

1. Have read, understood, and will comply with the current Interlocal Agreement
2. Reserve the option to request negotiations to amend the Interlocal Agreement at any time during the official's tenure as a LEO **(Workforce Services Policy (16-11) - Local Governance, page 5)**
3. August Elections: Agreements must be reviewed within ninety (90) days of county mayor elections to determine if updates are needed.

L. Amendment or Change to the Interlocal Agreement:

The agreement must have a section that outlines the process for amendments or changes to the Interlocal Agreement. All amendments or changes must be submitted to the LWDB and TDLWD.

M. Interlocal Agreement:

Once completed, with all LEO signatures recorded on the Interlocal Agreement, the agreement shall be sent to TDLWD through the following email address: Workforce.Board@tn.gov.

N. Local Workforce Development Board Performance:

Determine how the CLEO and LEOs will monitor and review the performance of the LWDA to ensure each county's workforce goals and needs are being addressed.

Determine how mayors will monitor the performance of the One-Stop system to ensure the system maintains an efficient and effective capacity to serve the LWDA.

For a template of the Interlocal Agreement please see "**Attachment A**".

Section B: Partnership Agreement:

Background:

The Partnership Agreement between the CLEO and LWDB provides guidance on the nomination and appointment of members to the LWDB. This agreement clearly defines that the CLEO has sole appointing authority and must solicit nominations in order to fill LWDB vacancies. It also defines the budget approval process and how meeting agendas should be set. Finally, the agreement must outline how LWDBs will work with the CLEO to discuss and execute the strategy, vision, and goals for the LWDA.

III. Required Inclusions of the Local Elected Officials and Local Board Partnership Agreement:

A. Local Board Membership:

WIOA Section 107(c)(1)(A) authorizes CLEOs to appoint members of the LWDB in accordance with the criteria established under **WIOA Section 107(b)**. The **Workforce Services Policy (16-11) - Local Governance** states, specifically on pages 4-5, that the CLEO:

1. Must receive and sign the required appointment form for any LWDB nominee
2. Has sole authority to appoint members of the LWDB
3. Is to immediately remove any LWDB member, who does not resign, if that member becomes ineligible to serve on the LWDB
4. Is authorized to, and must, make all reappointments of LWDB members in a reasonable amount of time of the term of expiration
5. Employees of entities serving as the fiscal agent, LWDB staff, OSO, and AJC career service providers are prohibited from serving on the LWDB (**Workforce Services Policy (17-02) Conflict of Interest, page 6**)

Note: Detailed information concerning the nomination and appointment process for the Local Board can be found in TDLWD's **Workforce Services Guidance - Local Workforce Development Board Member Nomination Process** or **TEGL 27-14**.

B. Relationship between Chief Local Elected Officials and the Local Workforce Development Board:

This agreement establishes roles and responsibilities of the CLEOs and the

LWDB along with a description of what the partnership will consist of and specific responsibilities of each party. The agreement must outline:

- How meeting agendas are set
- How the CLEO and the LWDB will communicate to share the vision and needs of the local communities
- How the CLEO and the LWDB will communicate the shared goals and workforce development needs of the LWDA
- How performance metrics will be reviewed, monitored, shared, and communicated

C. Local Board Budget Approval:

See ***Workforce Services Policy (16-11) – Local Governance, page 8.***

D. Communication:

Establish requirements for the LWDB to inform the CLEOs and LEOs on a regular basis regarding activities, performance outcomes, and budgets with at least one (1) joint meeting held annually between CLEOs/LEOs and the LWDB. (***Workforce Services Policy – Local Governance, pages 5-6***) The TDLWD encourages joint meetings between the CLEO and LWDB more than once annually.

E. Amendments, Change, or Election:

Any amendment or change to this partnership agreement, notice of election of a new CLEO, or notice of an election of a new LWDB Chair must be maintained at the LWDA Administrative Entity office and available for monitoring by TDLWD. (***Workforce Services Policy – Local Governance, page 5***)

F. Authorized Signatures:

This Partnership Agreement shall be signed by the current CLEO, or all LEOs who have been identified as participating in this agreement. The LWDB Chair must also sign this document. (***Workforce Services Policy – Local Governance, page 5***)

For a template of the Partnership Agreement please see “**Attachment B**”.

Effective Date: June 1, 2018

Duration: Indefinite

Contact:

For any questions related to this guidance, please contact Nicholas Bishop – Director of Compliance and Policy – Division of Workforce Services at Nicholas.Bishop@tn.gov



Deniece Thomas, Assistant Commissioner - Workforce Services Division



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
DIVISION OF WORKFORCE SERVICES
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Attachment A - Interlocal Agreement

LWDA: _____

1) State the Purpose of This Agreement: Describe the purpose and the term of the Interlocal Agreement.

2) Designation of a Chief Local Elected Official (CLEO): Explain who is selected as CLEO within the Local Workforce Development Area.

3) Participating Local Elected Officials (LEOs): In **Appendix A - located on page 4** of this document - list all LEOs within the LWDA and include: name, representation, contact information, and the LEOs signature.

4) Dispute Resolution: State how disputes among LEOs will be resolved regarding Local Board appointments and carrying out other responsibilities under WIOA.

5) Fiscal Agent or Grant Subrecipient Designation: In **Appendix B** – located on page 5 of this document – designate the Fiscal Agent (if applicable) within the LWDA and include: name, representation, contact information, and the individual’s signature.

6) Grant Recipient/Liability of Funds:

The CLEO must sign to acknowledge their county’s responsibility of financial liability as the recipient of grant funds by signing in **Appendix C located on page 6**.

For further information, reference WIOA Section 107(d)(12)(B)(i).

Outline the process for determining each LEO’s share of responsibility on Appendix C.

7) Communication: Describe the process and procedures the CLEO will use to keep the LEOs informed regarding LWDB activities. Determine how many times a year the LEOs will meet and how often a joint meeting with the LWDB will be held.

8) LWDB Budget Approval: Describe the process for reviewing and approving the LWDB annual budget among the LEOs.

9) LWDB Member Representation: Outline how LEOs will ensure LWDB representation is fair and equitable across the LWDA and is in accordance with WIOA policy regarding LWDB member nominations

10) Selection of a New Chief Elected Official: When applicable the newly elected CLEO or LEO must submit a written statement to the LWDB acknowledging that they have read, understood, and will comply with the Interlocal Agreement. Agreements must be reviewed within 90 days of county mayor elections to determine if updates are needed. Signing below demonstrates that the newly elected individual understands their roles and responsibilities. Please carry this out on **Appendix D on page 7** of this document.

11) Election of a County Mayor: When applicable, the newly selected county mayor (LEO) must submit a written statement to the LWDB acknowledging that they have read, understood, and will comply with the current Interlocal Agreement. Please carry this out on **Appendix D on page 7** of this document.

12) Amendment or Change to the Interlocal Agreement: Outline the process for amendments or changes to the Interlocal Agreement. Remember: all amendments or changes must be submitted to the LWDB and the TDLWD.

13) LWDB Performance:

Determine how the CLEO and LEOs will monitor and review the performance of the LWDA to ensure each county's workforce goals and needs are being addressed. Determine and monitor the performance of the One-Stop system to ensure the system maintains an efficient and effective capacity to serve the LWDA

Appendix A: Signatures of LEOs*

LEO Name:
Representation:
Contact Info:

LEO Name:
Representation:
Contact Info:

Signature: _____

Signature: _____

LEO Name:
Representation:
Contact Info:

LEO Name:
Representation:
Contact Info:

Signature: _____

Signature: _____

LEO Name:
Representation:
Contact Info:

LEO Name:
Representation:
Contact Info:

Signature: _____

Signature: _____

LEO Name:
Representation:
Contact Info:

LEO Name:
Representation:
Contact Info:

Signature: _____

Signature: _____

LEO Name:
Representation:
Contact Info:

LEO Name:
Representation:
Contact Info:

Signature: _____

Signature: _____

***Add signature lines as needed**

Appendix B: Designation of the Fiscal Agent

This document is to acknowledge the designation, by the Chief Local Elected Official, of a Fiscal Agent to act as the grant subrecipient. By signing this document the Fiscal Agent has read and understood the responsibilities and liabilities of the role as subrecipient described in WIOA Section 107(d)(12)(B)(i)(II). *This document is only an acknowledgement that the Fiscal Agent has been designated.* Contracts between the Fiscal Agent and the CLEO should ensure that the Fiscal Agent's roles and responsibilities are clearly outlined, and include the functions stated in 20 CFR 679.420.

Fiscal Agent Name:

Representation:

Contact Info:

Signature: _____

CLEO Name:

Representation:

Contact Info:

Signature: _____

Appendix C:

The LEOs must sign to acknowledge their responsibility of financial liability as the recipient of grant funds.

Utilize this section to describe the percentage or amount of liability assigned to each county or local unit of government in terms of fiscal responsibility in the event of misuse or misappropriation of WIOA funds. This is required under 20 CFR 683.710(b)(2).

County: _____ Percentage of Liability: _____

Printed name with signature of LEO: _____

County: _____ Percentage of Liability: _____

Printed name with signature of LEO: _____

County: _____ Percentage of Liability: _____

Printed name with signature of LEO: _____

County: _____ Percentage of Liability: _____

Printed name with signature of LEO: _____

County: _____ Percentage of Liability: _____

Printed name with signature of LEO: _____

Appendix D:

When applicable the newly elected CLEO or LEO must submit a written statement to the LWDB acknowledging that they have read, understood, and will comply with the Interlocal Agreement. Agreements must be reviewed within 90 days of county mayor elections to determine if updates are needed. Signing below demonstrates that the newly elected individual understands their roles and responsibilities.

Newly Selected CLEO:

Name:

Representation:

Contact Info:

Signature: _____

Newly Selected LEO:

Name:

Representation:

Contact Info:

Signature: _____

Name:

Representation:

Contact Info:

Signature: _____

Name:

Representation:

Contact Info:

Signature: _____



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
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Attachment B - Partnership Agreement

LWDA: _____

The Partnership Agreement between the Chief Local Elected Official (CLEO) and Local Workforce Development Board (LWDB) guidance on the roles and responsibilities of each party in the governance of the Local Workforce Development Area (LWDA).

1) Local Board Membership:

Describe how the CLEO will assure adherence to the LWDB composition outlined in WIOA Section 107(b)(2).

2) Relationship between CLEO and LWDB:

Specifically define the roles and responsibilities of the CLEO and the LWDB in regard to the governance of the LWDA. These definitions must separately address the roles of each party including: how the meeting agenda will be set; how the CLEO and LWDB will communicate the vision for, and needs of, a LWDA; how WIOA funds and resources will be fully utilized for workforce development across the LWDA.

3) Monitoring, Performance, and Oversight of LWDA:

Define which party will conduct monitoring and oversight of the programs administered in the LWDA. LWDBs should have a scorecard to update the CLEO (including LEOs) on the LWDA's performance; describe the agreed upon criteria that will be used to measure performance.

4) Local Board Budget Approval:

Specifically describe how the LWDA budget, developed by the LWDB and subject to the approval of the CLEO, will be given consideration by the LEOs. Furthermore, describe the process that will allow LEOs to voice support or opposition to the budget and how these opinions will be taken into account. Describe how monthly and quarterly financial performance be reviewed. Describe how decisions on special projects and additional funding opportunities will be made.

5) Communication:

Describe how the CLEO (including LEOs) will facilitate communication, and provide a response concerning the needs of cities and counties to the LWDB. Provide information to explain how the workforce development needs of an area will be addressed by the LWDB.

6) Amendments:

Describe how the Partnership Agreement will be amended to accommodate changes that arise in the administration of the LWDA. For example, the need for an amendment to this agreement could arise in the event of a change in the composition of the LWDB or if a new LEO is elected to office. Provide a description of the role each party will have in altering the Partnership Agreement to adapt to such changes.

7) Authorized Signatures:

Appendix E on page 4 of this document must contain the signatures of the CLEO, or all LEOs, and the LWDB Chair participating in this agreement.

Appendix E: Signatures of CLEO and Board Chair, or signatures of all LEOs and Board Chair (additional signatures may be added as needed)

CLEO:

Name:

Representation:

Contact Info:

Signature: _____

BOARD CHAIR:

Name:

Representation:

Contact Info:

Signature: _____

LEO:

Name:

Representation:

Contact Info:

Signature: _____

Name:

Representation:

Contact Info:

Signature: _____

Name:

Representation:

Contact Info:

Signature: _____