



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
DIVISION OF WORKFORCE SERVICES
220 French Landing Drive
Nashville, TN 37243-1002
(615) 741-1031

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

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

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)(B); WIOA Section 107(d)(12)(A); WIOA Section 107(d)(12)(B)(i)(I); Workforce Services Policy – Local Governance; Workforce Services Guidance - Local Workforce Development Board Member Nomination Process

Background:

The roles and responsibilities of Local Elected Officials, the Chief Local Elected Officials of a Local Workforce Development Area, and the Local Workforce Development Board should be outlined in two separate agreements: the Interlocal Agreement and the Partnership Agreement. These documents can, and should, be amended when a need or desire arises. Any amendments must be made with consent of all required parties.

Definitions:

- A) *Chief Local Elected Official (CLEO)* – The CLEO is the chief local elected official selected from a consortium of Local Elected Officials in a Local Workforce Development Area (LWDA).
- B) *Local Elected Official (LEO)* – Local elected officials that are the heads of local units of government. This title is typically designated as a county mayor, unless local

intergovernmental agreements defer to a municipal unit.

- C) *Local Workforce Development Board (LWDB)* – A local workforce development board established under **WIOA Section 107**.
- D) *Interlocal Agreement* – A written agreement that specifies the responsibilities of the CLEO and individual LEO(s) as they relate to the governance of the Local Workforce Development Area (LWDA).
- E) *Partnership Agreement* – A written agreement that specifies the relationship between the CLEO, LEOs, 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. 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, 2017. Both the Interlocal and Partnership Agreements must be sent TDLWD for review at Workforce.Board@tn.gov.

Section A: Interlocal Agreement

Background:

The Interlocal Agreement (otherwise known as the Chief Elected Official Agreement) defines the responsibilities, duties, and liabilities between the LEOs to provide coordination when multiple local governments 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:

- 1) *State the Purpose of the Agreement:* Describe the purpose and the term of the Interlocal Agreement (not to exceed five [5] years).
- 2) *Designation of a Chief Local Elected Official:* The LEOs are required by WIOA to provide guidance on a number of LWDB activities. Therefore, TDLWD requires the LEOs to select a CLEO who will represent the LEOs in the LWDA. This Interlocal Agreement must include the following information:
 - a) Selection/appointment process and term of the CLEO;
 - b) The designation of the CLEO to serve as the signatory for the LEOs;
 - c) An outline of decisions that may be made by the CLEO on behalf of the LEOs; and
 - d) Name, title, and contact information of the appointed CLEO.
- 3) *Participating Local Elected Officials:* The agreement must contain the name, representation, contact information, and signature of each LEO in the LWDA. The position of LEO generally defaults to the county mayors; however, in areas with multiple local units of municipal government within a county the chief official of each government may enter into agreements — as outlined in Section 1 of this guidance — to designate representation and responsibilities for the local units of government.

The agreement must define the process for LWDB nomination. All LEOs in the local area must:

- a) Enter into an agreement that determines how the LWDB nominees will be selected, appointed, removed, or reappointed in adherence to **TEGL 27-14**.
- b) 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**.

- 4) *Dispute Resolution:* The Interlocal Agreement must state how disputes among LEOs will be resolved regarding LWDB appointments and carrying out other responsibilities under WIOA.
- 5) *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 or 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]**).

- 6) *Grant Recipient/Liability of Funds:* The Interlocal Agreement must indicate the CLEO's acknowledgement of financial liability, as noted in **WIOA Section 107(d)(12)(B)(i)(I)**, and outline the process for determining each LEO's share of responsibility.
 - a) This determination of liability could be based on:
 - i) Allocation;
 - ii) Population;
 - iii) Expenditures; or
 - iv) Other criteria determined by the CLEO.
 - b) The Interlocal Agreement must contain:
 - i) A detailed process for reconciling disallowed costs; and
 - ii) 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.

- 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 (**WIOA Section 107[d][12][A]**).
- 9) *LWDB Member Representation:* Outline how LEOs will ensure LWDB representation is fair, equitable across the LWDA, and is in accordance with WIOA policy regarding LWDB member nominations found on page 4 of the **Workforce Services Policy – Local Governance**.
- 10) *Selection of a New Chief Local Elected Official:* 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.
- 11) *Election of a New Local Elected Official:* When there is a change in the LEO(s), 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 LEO(s) (**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; and
 - 2) Reserve the option to request negotiations to amend the Interlocal Agreement at any time during the official's tenure as a LEO (See page 5 of the **Workforce Services Policy – Local Governance**).
- 12) *Amendment or Change to the Interlocal Agreement:* Outline the process for amendments or changes to the Interlocal Agreement. All amendments or changes must be submitted to the LWDB and TDLWD.
- 13) *Single County Local Areas:* Even in LWDA's where a single-county local area is designated the LEO must outline how oversight will monitor the misuse of funds and also acknowledge the entity liable for the misuse of funds.
- 14) *Interlocal Agreement:* Once completed, with all LEO signatures being recorded on the Interlocal Agreement, the Agreement shall be sent to TDLWD.

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

Section B: Partnership Agreement

Background:

The Partnership Agreement between the CLEO, LEOs, 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.

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

- 1) *Local Board Membership:* **WIOA Section 107(c)(1)(A)** authorizes CLEOs to appoint the member of the LWDB in accordance with the criteria established under **WIOA Section 107(b)**. According to pages 4-5 of the **Workforce Services Policy – Local Governance**, the CLEO:
 - i) Has sole authority to appoint members of the LWDB
 - ii) Must receive and sign the required appointment form for any LWDB nominee
 - iii) Is to immediately remove any LWDB member, who does not resign, if that member becomes ineligible to serve on the

LWDB

- iv) Is authorized to, and must, make all reappointments of LWDB members in a reasonable amount of time of the term of expiration. (See pages 4-5 **Workforce Service Policy – Local Governance** and above (9) LWDB Member Representation.)

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**.

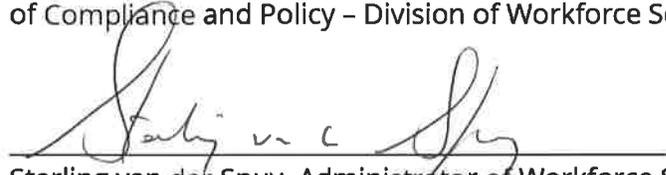
- 2) *Relationship between Chief Elected Officials and the Local Workforce Development Board:* This agreement establishes roles and responsibilities of the CLEOs and the LWDB along with a description of what the partnership will consist of and specific responsibilities of each party. The agreement must outline:
 - i) How meeting agendas are set
 - ii) How the CLEO, LEOs and the LWDB will communicate to share the vision and needs of the LEO’s communities
 - iii) How the CLEO, LEOs and the LWDB will communicate the shared goals and workforce development needs of the LWDA
- 3) *Local Board Budget Approval:* (See page 8 of **Workforce Services Policy – Local Governance** and above section (8) LWDB Budget Approval)
- 4) *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 joint meeting held annually between CLEOs/LEOs and the LWDB. (See pages 5-6 **Workforce Services Policy – Local Governance**.)
- 5) *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. (See page 5 of the **Workforce Services Policy – Local Governance** and above sections (10) Selections of a New Chief Local Elected Official and (11) Election of a New Local Elected Official.)
- 6) *Authorized signatures:* This partnership agreement shall be signed by the current LEOs who have been identified as participating in this agreement, or by the CLEO. The LWDB Chair must also sign this document. (See page 5 of the **Workforce Services Policy – Local**

Governance.)

For a template of the Partnership Agreement please see "Attachment B".

Contact:

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

A handwritten signature in cursive script, appearing to read "Sterling van der Spuy", is written over a horizontal line.

Sterling van der Spuy, Administrator of Workforce Services



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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 will be 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 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 reach 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 selected CLEO 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 8** of this document.

11) Election of a New Local Elected Official: When applicable 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. Please carry this out on **Appendix D on page 8** 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.

Appendix A:

LEO Name:
Representation:
Contact Info:

LEO Name:
Representation:
Contact Info:

Signature: _____

Signature: _____

LEO Name:
Representation:
Contact Info:

LEO Name:
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Representation:
Contact Info:

Signature: _____

Signature: _____

Appendix B:

This document is to acknowledge the designation, by the Chief Local 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).

Fiscal Agent 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). The following page has space for the signatures of the CLEO and LEOs entering into this agreement.

Printed name with signature of CLEO _____

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 current Interlocal Agreement. 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: _____



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Partnership Agreement

LWDA: _____

The Partnership Agreement between the Chief Local Elected Official (CLEO), Local Elected Official (LEOs), 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 LEOs will assure adherence to the LWDB composition outlined in WIOA Section 107(b)(2).

2) Relationship between CEOs and LWDB:

Specifically define the roles and responsibilities of the LEOs 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/LEOs 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 CLEOs and 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.

5) Communication:

Describe how the CLEO/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 all LEOs, or the CLEO, and the LWDB Chair participating in this agreement.