

Local Governance Structure – Workforce System Considerations

The Chief Elected Official(s) (CEO(s)) in a county or local workforce area (generally considered the Board of County Commissioners or County Executive) has specific requirements under the Temporary Assistance for Needy Families (TANF) and the Workforce Innovation and Opportunity Act (WIOA). These requirements include making important designations, appointments and decisions that will affect how workforce development will occur in their respective spheres of influence. Identified below are six areas of importance when making these crucial decisions along with points to consider.

① Local Workforce Development Area

The CEO has the responsibility to submit a request for local workforce development area designation to the State. Local workforce development areas are designated for the purpose of implementing WIOA, establishing an OhioMeansJobs service delivery system, and administering the workforce development programs.

WIOA outlines what considerations are given in designating a local workforce development area. The local area should consist of counties which have the following:

- similar labor market(s);
- consistent regional economic development; and
- available Federal and non-Federal resources which are necessary to effectively administer the adult, dislocated worker, and youth programs, including appropriate education and training providers, such as institutions of higher education and area career and technical education schools.

Labor market data for the county should be analyzed and compared with surrounding counties. Information such as metropolitan statistical areas (MSA), combined statistical areas (CSA), and workforce commuting patterns provide a snapshot of the labor market – see www.ohiolmi.com. To look at a county from a regional perspective, chief elected officials should consider the JobsOhio regions and the unemployment rate, the number of businesses, the type of businesses, and the number of job openings in the county. Interstate labor market areas, if applicable, should also be taken into consideration. Lastly, a review of the available resources within the county and within surrounding counties should be completed. This review should include where higher education, adult basic literacy education (ABLE) providers, and Ohio career technical centers are located.

The State has developed an application to be completed to request designation as a workforce development area. WIOA allows for automatic designation of a local workforce development

area based on certain criteria and some local areas qualify for this. Requests for local area designation are initiated by completing the application and submitting it to the Ohio Department of Job and Family Services, Office of Workforce Development. The applications are reviewed and submitted to the Governor's Executive Workforce Board for consultation and to the Governor for designation.

② Local Workforce Development Board (LWDB)

WIOA provides that the local workforce development board (LWDB) brings together business, education, labor leaders, and other stakeholders to assess the workforce needs of employers and employment and training needs of job seekers.

The CEO(s) for the local area appoint LWDB members. For business and labor representatives, the appointment to the LWDB is through a nominating process. Business representatives are nominated by local business organizations and trade associations. Labor representatives are nominated by local federations of labor representing workers employed in the local area. For the remaining members, the CEO(s) appoint representatives as determined appropriate. Appointment of board members are made on an ongoing basis when members' terms expire pursuant to the local LWDB's by-laws or when a local area is re-structured and members need to be appointed. A common practice is to for the board to stagger terms for each one-third of the membership.

The minimum membership of a LWDB is nineteen (19) with business representing a majority (or 51%). The business members may be owners, Chief Executive/Operating Officers, other business executives, or individuals who represent businesses through organizations. The remaining members are individuals with optimum policymaking authority selected from:

- labor organizations, joint management programs, and/or apprenticeship programs (which must consist of 20% of the board or a minimum of 4)
- entities administering education and training activities including adult basic literacy education (ABLE) services and institutions of higher education providing workforce investment activities (minimum of 2)
- governmental and economic and community development entities which includes a representative of the State employment service office under the Wagner-Peyser Act, a representative of the vocational rehabilitation program, and a representative of economic and community development (minimum of 3)
- Other non-required members may be selected from agencies or entities representing transportation, housing, public assistance, and/or philanthropic organizations or whomever the CEO determines appropriate

The LWDB must be certified by the State once every two years. The State has developed an application to be completed to request certification as a LWDB. Failure to achieve certification shall result in the nomination, appointment, and certification of a new local board for the local area. The state may decertify a local board for fraud, abuse or failure to carry out the functions of the local board. The state may also decertify a LWDB for failure to meet the local performance accountability measures for two consecutive program years.

Once a LWDB becomes certified, there are many functions for which the local board is responsible. These functions include, but are not limited to, the following:

- develop and submit a local plan and participate in regional planning;
- set guidance and policy to ensure program implementation and performance are aligned with Ohio's workforce strategy;
- in partnership with the Chief Elected Officials, conduct oversight of WIOA program and the OhioMeansJobs service delivery system;
- competitively procure OhioMeansJobs center operator and youth program providers;
- conduct management and oversight of OhioMeansJobs center operator;
- select eligible training providers and career service providers;
- execute a Memorandum of Understanding with local workforce development system partners;
- develop a budget for administration of the local board and implementation of service delivery in the local area; and
- coordinate activities with education and training providers in the local area.

The LWDB may also hire a director and other staff to assist in carrying out the functions of the board. The local board establishes and applies a set of qualifications for the director position, ensuring that the individual selected has the requisite knowledge, skills, and abilities to carrying out the duties of the local board. Other staff may provide communications and administrative assistance. It is important to ensure that LWDB staff remain autonomous in their positions due to conflict of interest potential, particularly in procurement.

The LWDB funding is managed by the WIOA Fiscal Agent and this funding will come from the WIOA Adult, Dislocated Worker, and Youth Programs.

③ WIOA Adult, Dislocated Worker (DW), and Youth Programs Fiscal Agent

The CEO is responsible for designating a WIOA Programs Fiscal Agent. The purpose of the fiscal agent is to ensure funding flows responsibly to the LWDB and to the Adult, Dislocated Worker, and Youth programs and to manage federal funding responsibilities such as required reporting, distribution, use of funds, and monitoring sub-recipients.

When designating a WIOA Fiscal Agent, the CEO should take into consideration the following:

- Experience working with employment and training programs
- Working knowledge of federal Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- Ability to manage federal funding responsibilities such as required reporting, distribution, and use of funds along with experience using state mandated fiscal reporting systems
- Understanding that both the WIOA and TANF funding is being used for various programs, the Adult and DW programs are two funding streams of the overall WIOA funding, with the Youth portion of the WIOA funding being allocated to the Comprehensive Case Management and Employment Program (CCMEP) described in Section 5 below. The CEO must take into consideration the possibility of having different fiscal agents for the same overall funding streams depending on the specific program. This same consideration should be applied to the following Sections 4, 5, and 6.

④ TANF – Ohio Works First (OWF) and Prevention, Retention and Contingency (PRC) Programs

The OWF program provides temporary cash assistance to low income families with the goal of self-sufficiency through employment. The PRC program is designed to divert families from needing ongoing cash assistance by providing short term non-assistance and by meeting an emergent need, which if not met, threatens the safety, health or well-being of the family. Pursuant to the ORC, the County Department of Job and Family Services (CDJFS) are responsible for these programs. Since this program has been managed by the CDJFS's, the following should be taken into consideration regarding the overall workforce development system:

- Is the CDJFS currently providing workforce services under WIA (WIOA) for the county and/or local area and if so, what is the record for meeting performance requirements under WIOA? Also, if not currently providing workforce services, what is the capacity for the CDJFS to be considered for an expanded role?
- Would it be more effective or cost efficient for there to be one TANF and/or WIOA fiscal agent for an entire local workforce development area? Can the CDJFS accommodate those responsibilities?
- When considering the local workforce development area designation and the multiple counties that may be a part of it, what are the other CDJFS' records for meeting performance requirements?

⑤ TANF/WIOA Comprehensive Case Management and Employment Program (CCMEP) Lead Agency

CCMEP is a newly established program that combines components of the TANF Program with the WIOA Youth Program. The CCMEP will initially pilot a new integrated case management system focusing on 16-24 year old individuals who are low income and out-of-school.

The objective of the program is about jobs and sustainability and breaking the cycle of dependency. This program, by law (Am. Sub. H.B. No. 64), will require the CEO to designate a lead agency to manage and coordinate the program and the law identifies two entities that may be designated for this program, the county job and family services department (CDJFS) or the local workforce development agency (WDA).

The lead agency ensures administration of these programs is aligned with county and local workforce area needs and collaborates with the LWDB. Since the CCMEP will be introducing a new case management system that will be individualized to the participants and will be standardizing processes across the state, the CEO will need to consider the following:

- The lead agency should have a diverse background and experience working with low income families and individuals, with an understanding of the various barriers faced by this population.
- The program will initially focus on young adults in the 16-24 age range but may eventually include all low income adults so the lead agency should also have experience working with both of these populations and understand the circumstances that they face.
- The lead agency must have the ability to properly report, record, and execute the program activities according to federal and state requirements.
- If the lead entity selected is the CDJFS, this program will include the WIOA Youth program whose service provider is procured by the LWDB, as required by law, so the CDJFS will need to work with these service providers on implementing this new program. The procurement scope of work will require input from the lead agency so there will be expected ongoing collaboration with the LWDB, whose responsibility it is to direct WIOA activities.
 - The lead agency should have a solid track record of working collaboratively with diverse groups and providers.
 - Due to the close collaboration with the LWDB in identifying the duties and responsibilities of the WIOA Youth Program, the lead agency for the CCMEP will need to carefully consider potential conflict of interests, specifically if the CDJFS plans to bid on the WIOA Youth services as a provider.

- If the lead agency selected is the local WDA, this program will include TANF funding which is administered by the CDJFS. This will require close coordination with the CDJFS regarding eligibility and service provision and possibly procurement of service providers.
- The funding sources supporting this program make it a required One-Stop partner. This means that this program will participate in career services activities and have program availability through the One-Stop system (OhioMeansJobs). This also means that the funding programs must enter into the One-Stop Memorandum of Understanding between the partners, the LWDB, and the CEO which includes providing funding for infrastructure and operational costs of the system. This also includes working collaboratively with the One-Stop Operator.
- The entity managing this program will be held accountable for success via performance metrics and will be replaced if not performing up to standards. The CEO will need to consider an entity that has been successful in meeting and sustaining performance.
- Due to the close relationship and involvement this program will have within the local workforce development system, the CEO must consider conflict of interest matters in their designation choice. The CEO should have an understanding of how their local workforce development system will operate and the roles expected of each partner and program when making the decision on the lead agency for this program.

⑥ One-Stop Operator for One-Stop System (OhioMeansJobs)

The One-Stop Operator is responsible for managing the OhioMeansJob center(s) by direction of and in conjunction with the local workforce development board. The One-Stop Operator does not operate a program, per se, but ensures all partners work in a coordinated effort to deliver the programs and services of the required (and voluntary) partners and operates the physical site or sites in the local system. The LWDB procures and provides guidance and direction to the One-Stop Operator. Under the previous Workforce Investment Act (WIA), the One-Stop Operator was selected by the board, in consultation with the CEO, however under WIOA the operator must now be competitively procured versus selected. The LWDB cannot be the One-Stop Operator, except in rare circumstances and by approval of the Governor. Some considerations concerning the One-Stop Operator:

- The One-Stop Operator can be a consortium of partners, a single entity, a non-profit or for-profit. The Request for Proposals should stipulate the intention of the area in this regard.
- The One-Stop Operator can also be a service provider (for the Adult and Dislocated Worker Programs or of other services) as long as the LWDB has policies and internal controls in place to prevent conflict of interest. The One-Stop operator cannot have a role in the procurement process to select a provider and cannot conduct management,

oversight, or performance evaluation of providers. The LWDB must include in its budget request to the CEO the funds for the One-Stop Operator and One-Stop operations.

- Funding for the One-Stop Operator is managed by the WIOA Fiscal Agent so collaboration with that entity is required.

⑦ WIOA Adult and Dislocated Worker (DW) Programs

The WIOA Adult and Dislocated Worker (DW) program service providers are procured by the LWDB. Funding for the Adult and DW programs, provided through the WIOA Fiscal Agent, is required to be used for career and training services in the OhioMeansJobs system, to establish employer networks, and to implement industry or sector partnerships. Workforce development activities also include the following:

- Helping individuals, including those who have barriers to employment, maximize their employment opportunities
- Helping employers gain access to skilled workers
- Helping employers retain skilled workers
- Helping develop or enhance the skills of incumbent workers
- Enhancing the productivity and competitiveness of the state's economy

This service provider will need to interact with both the lead agency of the CCMEP and the One-Stop Operator as their funding and services are vital components of each of these entity's responsibilities.

- As a required partner in the OhioMeansJobs One-Stop system, these programs must enter into a Memorandum of Understanding (MOU) with the CEO, LWDB, and other partners which includes providing funding for infrastructure and operational costs of the system in addition to working collaboratively with the One-Stop Operator
- Although this program staff will collaborate with the LWDB, they cannot be used as board staff in any capacity due to conflict of interest issues such as the procurement of the One-Stop Operator and Youth Program service provider.

⑧ WIOA Youth Service Provider

The WIOA Youth Service Provider is procured by the LWDB. Funding is through the WIOA Fiscal Agent. The service provider must follow the requirements for the youth program as outlined in WIOA and the federal regulations. The youth provider takes direction from the LWDB but will be housed within the new CCMEP program (Section 5 above). This will require close collaboration between the LWDB and the lead agency designated to manage the CCMEP. This collaboration includes working together on the procurement scope of service and ongoing activities.