# MICHIGAN WORKS! SYSTEM

# INFRASTRUCTURE FUNDING AGREEMENT

# BETWEEN

**MICHIGAN WORKS! \_\_\_\_\_\_\_\_\_\_ WORKFORCE DEVELOPMENT BOARD**

**THE CHIEF ELECTED OFFICIAL**

**AND**

**THE MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

**BUREAU OF SERVICES FOR BLIND PERSONS**

**Bill’s comment: THIS IS THE BASIC STARTING POINT FOR THE IFA’S WHICH WAS BASED ON SIMPLICITY AND REQUIRED COMPONENTS – IF CHANGES WERE REQUIRED THEY WERE NEGOTIATED IN ATTEMPT FOR CONFORMITY AND SIMPLICITY. MOST CHANGES OCCURRED RELATED TO A MORE ROBUST PROBLEM RESOLUTION PROCESS AND ADDITIONAL LANGUAGE AROUND MODIFICATION AND REVIEW WITH A FEW MINOR EDITS TO CONSENSUS STRATEGIES**

**Part I**

**General Information**

This Infrastructure Funding Agreement (hereinafter referred to as the IFA or Agreement) establishes the terms and conditions between The Michigan Department of Licensing and Regulatory Affairs/Bureau of Services for Blind Persons and its successors or assigneesas a representative under the State Vocational Rehabilitation (VR) Services program, authorized under Title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), as amended by WIOA title IV (hereinafter referred to as Partner or LARA/BSBP) and the Michigan Works! \_\_\_\_\_\_\_ Workforce Development Board serving the Counties of \_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter referred to as Michigan Works! \_\_\_\_\_ WDB or Michigan Works! \_\_\_\_\_\_\_) and the \_\_\_\_\_\_\_\_Chairperson, hereinafter referred to as the Chief Elected Official. LARA/BSBP, Michigan Works! \_\_\_\_\_\_, and the Chief Elected Official are collectively referred to herein as “the Parties” or individually as “Party”.

The purpose of the IFA is to fund the services and operating costs of the Michigan Works! \_\_\_\_\_\_\_ WDB American Job Center network, and to allocate these costs among the various American Job Center partners based on the proportionate use of the one-stop centers and relative benefits received. On \_\_\_\_\_\_\_\_\_\_\_, the Parties entered into a Memorandum of Understanding – LARA/BSBP MOU #\_\_\_\_\_\_\_ (“MOU”) to define the relationship between the Parties, and the ways they would work together within the Michigan Works! \_\_\_\_\_\_ Workforce Development Area to create a seamless, customer-focused American Job Center network that aligns service delivery and enhances access to program services. Upon execution of the MOU, the Parties agreed to negotiate in good faith for this Partner’s responsibilities for infrastructure costs, taking into account, the proportion of use and relative benefits provided to Partner.

This IFA is designed to ensure that all One-Stop partner programs contribute to the infrastructure costs of the One-Stop delivery system in the Michigan Works! \_\_\_\_\_\_ service delivery area, as required by 20 Code of Federal Regulation 678.700 thru 678.760. In addition, this IFA establishes joint processes and procedures for reviewing and modifying infrastructure funding contributions to ensure each partner program is contributing its proportionate share in accordance with the terms of the IFA.

# Part II

# Infrastructure Costs Budget

Michigan Works! \_\_\_\_\_\_ agrees to define Infrastructure costs consistent with the Workforce Innovation and Opportunity Act (WIOA) sec. 121(h), its implementing regulations, and the Federal Cost Principles contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR part 200 (Uniform Guidance). Infrastructure costs are defined as non-personnel costs (not compensation) that are necessary for the general operation of the One-Stop center, including but not limited to:

* Applicable facility costs (such as rent);
* Utilities and maintenance;
* Equipment (including assessment-related and assistive technology for individuals with disabilities); and
* Technology to facilitate access to the one-stop center, including technology used for the center’s planning and outreach activities.

All Parties to this IFA recognize that infrastructure costs are applicable to all required partners, whether they are physically located in the American Job Center (One-Stop) or not. Each partner’s contributions to these costs, however, may vary as these contributions are based on the proportionate use and relative benefit received, consistent with the partner programs’ authorizing laws and regulations and the Uniform Guidance. The Program Year (PY) 2018 Infrastructure Costs Budget is included as Attachment A and forms the basis for determining each partners’ contribution.

# Part III

# Modification and Review

If Partner seeks to modify the IFA, it will in a timely manner notify Michigan Works! \_\_\_\_\_\_ and any other Parties to the IFA in writing and outline the proposed modification(s) and the reasons(s) for the same. If Michigan Works! \_\_\_\_\_ seeks to modify the IFA, Michigan Works! \_\_\_\_\_ will provide written notification to all Parties of the existing IFA and outline the proposed modification. Upon notification, Michigan Works! \_\_\_\_\_\_ will ensure that discussions and negotiations related to the proposed modification take place with Partner in a timely manner and as appropriate. If the proposed modification is extensive and is met with opposition, Michigan Works! \_\_\_\_\_\_ will request a meeting of the Partner to resolve the issue. Upon agreement of all Parties, a modification will be processed and signed by all Parties.

**Process of Review**

Partner will provide Michigan Works! \_\_\_\_\_\_ with Active Participant numbers (per the last day of the last month of each quarter) no later than 30 days after the end of each quarter.

Upon receipt of the above information, Michigan Works! \_\_\_\_\_\_\_ will:

* 1. Compare budgeted costs to actual costs;
  2. Update the allocation bases;
  3. Apply the updated allocation bases, as described in the Cost Allocation Methodology (Part IV), to determine the actual costs allocable to Partner.
* Michigan Works! \_\_\_\_\_\_\_\_ will prepare an updated budget document showing cost adjustments and will prepare an invoice for the Partner with the actual costs allocable to the Partner for the quarter.
* Michigan Works! \_\_\_\_\_\_\_\_\_ will submit the quarterly invoice to the Partner and send a copy of the updated budget to all Parties no later than 30 days after the end of each quarter.
* The Partner understands that the timeliness of Michigan Works! \_\_\_\_\_’s preparation and submission of invoices and adjusted budgets is contingent upon the timeliness of the Partner in providing the necessary information.
* Upon receipt of the invoice and adjusted budget, the Partner will review both documents and will submit payment to Michigan Works! \_\_\_\_\_ no later than 15 days following receipt of the quarterly invoice. Payment of the invoice signifies agreement with the costs in the adjusted budget.
* All Partner contributions will be reconciled on a regular basis, not less than quarterly. Reconciliation shall include comparing actual expenses incurred to relative benefits received to ensure each partner program is contributing its proportionate share in accordance with the terms of the IFA. Periodic modification and review will ensure equitable benefit among One-Stop partners.

# Part IV

# Cost Allocation Methodology

The process described below is to determine relative benefit for required partners who are not present in the Michigan Works! \_\_\_\_\_\_ American Job Centers (also known as a One-Stop Center) via technology or physical presence. For Program Year 2018, It was agreed that the total # of Active Participants served (funded with admin or program funds) by required partners in zip codes assigned to Michigan Works! \_\_\_\_\_\_\_ would be the base. Active participants served are defined based on the previous budget year of the IFA (July 1 – June 30).

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| --- | --- |
| **Clients Served Scale:** | |
| **# Served** | **FTE** |
| 0-25 | 0 |
| 26-75 | **.**05 |
| 76-125 | .10 |
| 126-175 | .20 |
| 176-225 | .30 |
| 226-275 | .40 |
| 276+ | .50 |

The Partneragrees to the following:

* There were less than 26 LARA/BSBP Active Participants identified for the IFA budget that begins July 1, 2018, located in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Counties.
* There were between 26 and 75 Active Participants identified for the IFA budget that begins July 1, 2018, located in \_\_\_\_\_\_\_\_\_ County.
* Once Program Year 2019 negotiations are finished, LARA/BSBP agrees to adhere to specific timelines for determining its relative benefit.

# Part V

# Consensus Strategies

Michigan Works! \_\_\_\_\_\_\_, as the Administrative and Fiduciary entity for the One Stop Service Center System in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Counties, provides oversight of the costs associated with the centers. Michigan Works! \_\_\_\_\_\_\_\_\_ staff will facilitate discussions with the partners if issues arise regarding infrastructure costs. Efforts shall be made to create a collaborative environment where partners are working together to reach consensus. The following describes the steps used to reach consensus:

1. The budget for operating and maintaining the one-stop centers will be developed and submitted by Michigan Works! \_\_\_\_\_\_\_ to the Partner for review and signature. Questions that arise during the review will be discussed between the Parties, and necessary changes made.
2. The revised IFA and budget will be re-submitted to the Parties for signature.
3. The signed IFA will then be submitted to the office of the Chief Elected Official.
4. During the \_\_\_\_\_\_meeting, the IFA is presented, and time allotted for open discussion. If there are no objections by members of the \_\_\_\_\_\_, the IFA is accepted and submitted for signature of the Chief Elected Official.
5. If the IFA is not accepted by the \_\_\_\_\_, the IFA and related questions or concerns will be returned to Michigan Works! \_\_\_\_\_\_ for resolve between the original signing Parties.
6. Once the Parties have reached agreeable adjustments based on the \_\_\_\_ review, the revised IFA will be re-submitted to the \_\_\_\_for re-review and acceptance at a future meeting.

# Part VI

**Problem Resolution**

The one-stop partner organizations and Michigan Works! \_\_\_\_\_\_ agree to resolve issues related to infrastructure and infrastructure funding by the following means:

* Determine which party and or what is affected by a problem;
* Set a goal for resolution;
* Identify steps or method that will be taken to resolve the problem;
* Provide feedback to the one-stop partner organizations regarding the resolution or if necessary, develop a modification to the IFA that will be effective upon written notice and signature of the Parties.

# Part VII

**Procedure for Amendment of Assignment**

This IFA may be modified at any time by written agreement of the Parties. Such amendments will require the signature of all Parties affected by such amendment. Assignment of responsibilities under this IFA by any of the Parties shall be effective upon written notice to the other Parties. Any assignee commits to the terms of this IFA by certification and signature.

# Part VIII

**Duration of Agreement**

This IFA is effective July 1, 2018 through June 30, 2019 (Program Year 2018) and shall be reviewed and renewed annually prior to July 1st each subsequent year.

# Part IX

# Certification

The undersigned hereby agree to abide by all terms and conditions outlined in this agreement, or in any amended version of this Agreement, for the duration of this Agreement.

**Approval on behalf of Partner entity: Michigan Department of Licensing and Regulatory Affairs**

Shelly Edgerton, LARA Director Date

**Approval on behalf of Partner entity: Bureau of Services for Blind Persons**

William A. Robinson, BSBP Director Date

**Approval on behalf of Michigan Works! \_\_\_\_\_\_ Workforce Development Board:**

\_\_\_\_\_\_\_, Chair Date

**Approval on behalf of Chief Elected Official:**

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Date

# Attachment A