

## **Governor's Workforce Investment Division Policy No. 08-00**

**Subject: West Virginia Policy On Separation of Workforce Investment Board Staff from WORKFORCE West Virginia Center Operations**

**Effective Date: July 1, 2000**

**Purpose:** To establish policy within West Virginia on the separation of staff to local area Workforce Investment Boards from the delivery of core, intensive and training services.

**References:** The Workforce Investment Act, Section 117 (f). 20 CFR (Code of Federal Regulations) Part 652, et al. Workforce Investment Act, Interim Final Rule Section 661.310 ( c ).

**Background:** The Workforce Investment Act (WIA) of 1998 establishes a new system for delivery of services. WIA calls for an unprecedented collaboration among partners representing a variety of funding streams who are charged with working together under the One-Stop umbrella to deliver seamless services to employers and job seekers. The One-Stop delivery system, known in West Virginia as the WORKFORCE West Virginia system, is governed by local Workforce Investment Boards (WIBs) who are charged with the responsibility of overseeing the funds allocated through WIA as well as overseeing the activities of all the partners participating in the One-Stop Centers. The Act itself (Section 117) indicates a clear distinction between the work of the boards and the work of the service delivery mechanism by prohibiting boards from providing training services (unless a waiver is granted by the Governor) and limits boards from delivering core and intensive services without agreement of the chief elected officials and the Governor. The interim final WIA regulations extend these distinctions to staffs of boards as well.

The rationale supporting these provisions is quite evident. The boards, and the staffs who support them, must be viewed by all the partners as neutral parties who can reflect the interests of all and are not tied to one funding stream. One of the major limitations of the Job Training Partnership Act was that Private Industry Councils were, in most areas, responsible for only one funding stream and the staff who supported the councils, for the most part, came from the organizations responsible for that funding stream.

WIA calls for a different way of doing business and puts the boards at a level above operations. While the legislation does allow for waivers and agreements for boards to deliver services, these should only be considered in the most unusual of circumstances where no other service delivery options exist. Similarly board staff should be as removed from operations as possible to include separate reporting lines for board staff and operations staff. To ensure this critical separation is a real one, the Governor's Workforce Investment Division is issuing this guidance letter setting forth policy for such separations. This policy expands on the Federal requirements but does not conflict with Federal policy.

**Policy:** It is the policy of the Governor's Workforce Investment Division that there be a clear separation or "firewall" between the governance and the service delivery functions at the local

level. Staff to the WIBS may not provide core, intensive or training services nor may WIB staff be part of any organization that provides such delivery services.

Specifically, this means that WIB staff may be part of an organization that provides fiscal agent services and WIA monitoring and evaluation services, but they may not be part of an organization that is the One-Stop operator, nor a deliverer of core, intensive or training services. Similarly, to ensure objectivity, the monitoring and evaluation functions may not be part of the service delivery entity. Since there may be cases where local governments may be the entities that employ both the WIB staff and at least some of the delivery staff, an exception is provided to allow for this case as long as the WIB staff does not report to the same individual, below the elected official level, as does the delivery staff. Similarly, if the WIB staff is employed by a non-profit entity and the delivery staff is employed by another non-profit entity, these two entities may not be the same nor may they have the same board of directors nor be controlled by a parent entity. The boards of directors must be dissimilar enough to provide prima facia evidence that the two entities are not linked and there is a real separation of duties and responsibilities.

This policy is not intended to cover all possible circumstances. The local WIA plan must cover the separation issue and describe how the intent of this policy is met in local practice. Each local plan will be reviewed to ensure there is adherence to the letter and spirit of this policy.

**Action:** Local WIA areas are to be guided by the policy provided in this issuance and are to ensure that the separation of duties intended by this policy is adequately described in the local WIA plan.

**Expiration Date:** Effective until rescinded or modified by the West Virginia Workforce Investment Council.