PA Department of Labor & Industry
Workforce Investment Center
Bureau of Workforce Investment
WORKFORCE INVESTMENT INFORMATION NOTICE NO. 2-03, Change 1
October 8, 2003

TO: ALL LOCAL WORKFORCE INVESTMENT AREAS

FROM: JOHN C. VOGEL
Director
Bureau of Workforce Investment

SUBJECT: Local Workforce Investment Board Staffing Policy

INQUIRIES: If you have questions concerning this issuance, please direct inquiries to the following by e-mail or telephone:

LWIB Staffing Issues:
Penny Reiter preiter@state.pa.us (717) 772-1951

Fiscal Agent Responsibilities:
Michael Bakaysa mibakaysa@state.pa.us (717) 783-0229

1. **Purpose.** To provide operational guidance and other necessary information concerning the Commonwealth's revised Local Workforce Investment Board staffing policy.

2. **Reference.**

WIA Public Law 105-220, dated August 7, 1998 (29 USC § 2801, et seq) Section 117(f)(1)(A) & (B); Section 117(f)(2).

WIA Final Regulations, dated August 11, 2000 (20 CFR § Part 652 et al) Preamble pages 49304 & 49314; §661.310; §662.420(a); §663.155; §663.210(b); §663.400;

Pennsylvania's Strategic State Workforce Investment Plan for Title I of the Workforce Investment Act of 1998 (Workforce Investment Systems) and Wagner-Peyser Act, specifically III.B.1.h.i.(c) on page 24 and Appendix O on pages 207-208.

Pennsylvania's Workforce Investment Act Title I Policy Paper dated June 30, 1999, Objective 5, pages 30-31; and subsequently amended May 1, 2000.

Pennsylvania's Three-Year Comprehensive WIA Operational Plan Modification Guidance issued December 1, 2000.

3. **Discussion.** Local Workforce Investment Boards (Local Boards) were established under Title I of the Workforce Investment Act (WIA) to set policy for the local workforce development system. Local Boards are responsible for system building, strategic planning, knowledge development, as well as continued oversight of workforce development programs. Local Boards identify the appropriate issues and establish priorities for action, and contract to service providers and training agencies for the provision of core, intensive, and training services. The service providers manage the activities to meet these identified needs and priorities.

The Workforce Investment Act of 1998, Section 117, prohibits Local Workforce Investment Boards from directly providing core, intensive, or training services. The preamble to the WIA Final Rule states that the limitation on the Local Board's authority to be a service provider is meant to ensure that the Local Board serves as the "board of directors" for the Local Area. This frees the Board from the day-to-day functioning of the local workforce system and allows the Local Board to focus on strategic planning, policy development and oversight of the system. The WIA Final Rule, Section 661.320, further clarifies that the restrictions on the provision of core, intensive, and training services by the Local Board also apply to staff of the Local Board.

Based on these statutory and regulatory provisions, the Commonwealth is issuing this amended Local Workforce Investment Board staffing policy to ensure that Local Areas are aware of these WIA requirements and that their organizational structure complies with WIA requirements.

Review of past policies and their implementation has resulted in a change of emphasis. The Commonwealth encourages Local Board and Fiscal Agent staff to be organized as a single entity. This single entity would have responsibility for all administrative functions, and would procure the provision of services to other agencies. In the event that Fiscal Agents who are not staff to the LWIBs are providing fiscal support to WIA Title I Program Operators and the LWIA decides to restructure and combine the fiscal staff and the LWIB staff into one entity, the Program Operators may be faced with the prospect of having to hire additional fiscal personnel. To avoid this additional expense, the LWIB may enter into a non-financial agreement with the Program Operator. The agreement should detail the duties and responsibilities of the Fiscal Agent and ensure that the Fiscal Agent is not providing services that could be construed as operating programs. This organizational approach is consistent with the direction of WIA reauthorization to streamline the WIA program through consolidated adult funding and common performance measures. The Commonwealth believes that this type of structure will reduce duplication and be more cost effective. This preferred structure would also be consistent with the intent of the WIA that the Local Board focus on strategic planning, policy development, oversight of the system, and the establishment of priorities for all workforce development funds.

If a Local Area changes its existing organizational structure, it should be noted that appropriate revisions must be made to the Comprehensive WIA Operational Plan and, if applicable, the Strategic Plan. Any changes to either of these plans must follow standard procedures, including posting of any such changes for public comment prior to submission of the modification to the Bureau of Workforce Investment.

It should be emphasized that this direction is intended as guidance in the implementation of the requirements of the Workforce Investment Act, and that it does not replace or supplant the WIA or the WIA Final Rule guidance.

In any instance where this issuance conflicts with the Workforce Investment Act, the WIA Final Rule, or existing State law, the applicable Federal and/or State requirement takes precedence.

4. **Action Required.** This issuance should be widely distributed throughout the Local Workforce Investment Area including Board Staff, Fiscal Agents, Service and Training Providers, and other stakeholders as deemed appropriate.

   Local Workforce Investment Areas who are interested in pursuing structural changes that are encouraged in this amended staffing policy may seek State assistance for planning, legal, and implementation purposes by contacting their Technical Assistance Coordinator in the Bureau of Workforce Investment.

5. **Attachments.** None.

6. **Rescissions.** Local Board Staffing Policy originally included as part of the Workforce Investment Act Title I Policy Paper dated June 30, 1999, Objective 5, pages 30-31; and subsequently amended May 1, 2000; and those portions of any other officially issued Commonwealth document that cites or references the rescinded Local Board Staffing Policy.

7. **Effective Date.** Upon Issuance.

8. **Expiration Date.** Ongoing.