

Re-Alignment: Frequently Asked Questions

A. Workforce System Structure:

1. If the CLEO and LEOS have not come to an agreement on July 1st, 2018, what happens to the current fiscal agents?
 - *The requirement for the county mayors to convene by July 1st and select CLEO does not affect current fiscal agents. Current fiscal agents must serve as fiscal agents for the existing areas, including through close out of entity contract awards on November 14th, 2018.*
2. What will happen if the Regional Council votes to have a Regional OSO and the CLEO doesn't want it (they may want to keep their current OSO)? My understanding is the CLEO can override the Regional Council decision, is that correct?
 - *The CLEOs and LWDBs within the region should be in agreement. If the LWDB and CLEO for each LWDA do not agree, then only the LWDA where the CLEO and LWDB agreed could proceed with a regional based OSO. It is possible for some of the LWDA within the region to join together in an OSO provider while another LWDA opts out. The decision must rest with the LWDB and CLEO for each LWDA.*
3. What happens if mayors do not have an Interlocal Agreement in place by July 1st, 2018?
 - *They need to have a CLEO selected for each of the 9 LWDA no later than July 1st, 2018. The first orders of business for the CLEO are the execution of the Interlocal Agreement and designating a fiscal agent. We can't issue funds until these two items are complete.*
4. Must all of the new LWDA complete a full procurement process for One-Stop Operators and career service providers and put contracts in place by October 1st, 2018?
 - *Yes.*
5. If the new contracts for the newly formed LWDA are delivered to the fiscal agent on July, and the LWDB has not been able to hire staff, who/how will funding flow to current contractors when no one has the authority to transfer funds? Can current LWDBs and LWDB officers be grandfathered over X months? Will the SWDB expedite new LWDB makeup?
 - *Review the guidance and timeline issued on May 17th, 2018. Additionally, review the chart created to reflect the roles of the currently existing LWDBs and newly formed LWDBs as they relate to fiscal activities and activities concerning structure and service provision within the LWDA.*

6. For those areas merging, what assistance will the state give the locals during the closeout of the year while simultaneously starting larger numbers of contracts with no additional personnel until the new Boards can hire additional staff?
 - *The State will be providing Transitional Assistance Funding (TAF). Local areas can utilize TAF funding to procure temporary staff.*

7. If the fiscal agent acts on direction of the LWDB what do they do in July with two LWDBs?
 - *The existing fiscal agents act as they are for the existing areas from now through close out of entity contract awards on November 14th, 2018. A new fiscal agent must be designated by the first week in July in order to provide funds for administrative and re-alignment activities to the new LWDA. The existing LWDBs govern the existing LWDA through September 30th, 2018. The new LWDBs govern activities that only apply to the new LWDA. It is not an issue to have multiple boards during this period as they will represent 3 different areas. The board for each area must continue to govern its respective area through September 30th, 2018. The newly formed board can be formed now and begin activities to establish the new area and to become operational on October 1st, 2018. Reference the Local Board Roles During Re-Alignment chart, provided as an attachment to this FAQ.*
 - *Re-alignment is effective July 1st, 2018. LWDA's have until October 1st, 2018 to be fully compliant. LWDA's should contact TDLWD if they wish to work under the new areas prior to October 1st, 2018.*

8. If an LWDA has an open RFP on the market right now for OSY services and is not chosen as the admin entity/fiscal agent for the region, **and if** the LWDA executes a contract as a result of this RFP, is the new admin entity/fiscal agent bound to adopt this contract? What is the transition timetable for the contract adjustments/adoption?
 - *The LWDA is a geographical area, not an administrative entity. If the OSY contract is only for the July 1st through September 30th, 2018, the current service provider could continue until full re-alignment occurs by October 1st, 2018. If the contract period goes beyond October 1st, 2018 then the new LWDB/fiscal agent/admin entity would need to adopt the contract. Any service provider contracts set to expire on June 30th, 2018 should be extended on a monthly basis—or for three months—through September 30th, 2018 to avoid any disruption in services and to allow for the new LWDBs/areas to determine their contracting beyond October 1st-June 30th, 2019. This is a good example of why LWDBs should consider the contracts being with the LWDB and not their administrative entity.*
 - *Reference the Local Board Roles During Re-Alignment chart, provided as an attachment to this FAQ.*

9. In workforce regions that are assuming other LWDA's, will the new Region's admin entity/fiscal agent assume the contracts of the LWDA's that have been eliminated?
 - *As of September 30, 2018 unobligated balances on existing contracts awards from the State to the thirteen local areas will be recaptured and reallocated to the nine local area structure. The CLEO and/or LWDB will determine the status of locally let contracts.*

10. Will the new fiscal agent do RFPs for OSO, CSP, youth services, etc.? If we continue our service provider contracts until September 30th, 2018, when will we close out those contracts?

- *LWDBs (not fiscal agents) must procure new contracts and the contracts must have a start date of October 1st, 2018. Contract close outs must be completed no later than November 14th, 2018. Fiscal agents can administer the RFP, but RFPs (e.g. the scope, terms, and conditions) must be approved by the LWDB and CLEO.*
11. How will the OSO duties be expanded and what guidance will locals have reference those duties?
 - *Review the guidance/policies and technical assistance outlining the role of the OSO. Not aware of any expanded duties.*
 12. An overview of what we need to be looking for/at when we log into Grants4TN. When we start working with the Local Executive Directors in Grants4TN, what are we to be looking at, such as what reports, contracts, etc.?
 - *Guidance will be sent to local areas including forms needed to establish new fiscal agent. Subsequent to receipt of the completed forms by the local areas, the People and Organizations modules in Grants4TN will be updated accordingly by TDLWD staff. Internal Users will be marginally, if any, impacted by the change in structure.*

B. Inventory/Facilities:

1. If an area is being divided between 2 new areas – and contains 2 vehicles – how are those affected by realignment? One to each new area? Same with computers in storage and any other equipment?
 - *Review the TDLWD Inventory policy, published on June 6, 2018. This document provides guidance on how to surplus unneeded inventory, including the steps taken to transfer inventory between LWDA's.*
2. Office furniture of board staff. I plan to offer it to the new fiscal agent and the AJCs, but if they don't need it, can we leave it with the current fiscal agent/board staff entity? It is not tagged.
 - *Review the TDLWD Inventory policy, published on June 6, 2018. This document provides guidance on how to surplus unneeded inventory, including the steps taken to transfer inventory between LWDA's.*
3. How will the state assist in transferring 1,000s of pieces of serial numbered equipment in the realignment and which agency has final say on retaining or moving said equipment?
 - *This should be a local area function. The state has released guidance concerning inventory management of assets during realignment. This guidance was posted on June 6, 2018.*
4. The current fiscal agent or LWDB staff entity leases the property for the comprehensive AJC. If I am unable to transfer that lease, what is my next step?
 - *The new LWDB needs to handle the lease of the AJC. The new LWDB should ask the following: When does the lease expire? What does the lease state about substituting parties or novation?*

C. Funding:

1. Since the funds follow the county, when will the new local area expect to receive the funds for the new counties? What is the estimate of those funds?
 - *As per the guidance issued on 6/8/2018, the new nine local areas will receive 50% of the PY18 Youth funding, 100% of the PY18 Adult and Dislocating funding, and the unobligated balances as of 9/30/2018 for existing contracts impacted by the change in structure from 13 local areas to 9 local areas.*
2. How will the costs of current LWDB staff be absorbed, and paid from what funding streams to accomplish this transition when the LWDBs have not been formed yet to hire staff? How will audits from the previous area designation be absorbed when that area no longer exists?
 - *Review the Local Board Roles During Re-Alignment chart, included as an attachment, to determine activities associated with existing LWDBs vs. newly formed LWDBs.*
 - *Audits - The existing areas will have their PAR review conducted prior to October 1st, 2018.*
3. For those areas combining, will there be any 'start up' funding available and cash flow assistance for establishing the staff and logistics supporting those actions in startup? (Offices, letterhead, business cards, web sites, legal fees, starting salaries) What if merging areas do not have enough carryover dollars?
 - *Guidance on Transitional Funding Assistance was provided to the local areas on 6/8/2018 (copy attached).*
4. What closeout period is anticipated following September 30th, 2018 for organizations no longer functioning as fiscal agents?
 - *November 14, 2018.*
5. How will contracting be handled as of July 1st, 2018? Will all current fiscal agents receive some level of funding? If so, will this be the typical July portion of formula grants or something different?
 - *Existing fiscal agents will be requested to keep their current PY17/FY18 active thru September 30, 2018. Fiscal agents under the new structure will receive the PY18 Youth/Adult/DW funding which will help cover administrative costs in addition to setting up new contracts with potential new OSOs/CSPs for administrative and program costs. These new contracts for the new fiscal agents will be available effective July 1st, 2018 forward, provided a new fiscal agent is in place. LWDBAs that do not have a new fiscal agent in place under the new structure are unable to receive contracts until the new fiscal agent has been designated by the respective CLEO. There may be a mixture of both formula funds and statewide and rapid response funds to aid in the transition for both the existing and new fiscal agents, pending the circumstance around current expenditure levels and need for additional funds. Any PY17/FY18 funds remaining from the current structure as of September 30th, 2018 will be recaptured by the state and redistributed to the new 9 local areas to help cover formula funded activities effective October 1st, 2018 and forward.*
6. Will contracts issued July 1st, 2018 go through September 30th, 2018, or will they extend beyond that date?

- *Contracts provided for transitional funding will have a contract date of September 30th, 2018.*
 - *Reference the Local Board Roles During Re-Alignment chart, provided as an attachment to this FAQ.*
7. During the transition starting July 1st, 2018, do we still do “business as usual” as it pertains to writing checks to participants, paying training providers, etc?
 - *Yes. No local area should stop enrollments or run out of funds. If this is the case then the TDLWD must be contacted immediately.*
 8. Will the state give us 25% of our total allotment for the year to operate that first quarter? We usually have 30 days to close out contracts. If not, how much can we expect to receive?
 - *Under the 9 local area structure, local areas will receive 50% of the PY18 Youth funding. The local areas will receive 100% of PY18 Adult and Dislocated Worker funds, and the unobligated balance as of September 30, 2018 of existing contracts.*
 9. Will currently existing LWDAs be responsible for payment of client expenditures July 1st, 2018 or after transition at October 1st, 2018?
 - *The currently existing LWDA pays for July 1st through September 30th, 2018 unless an arrangement has been made to expedite operations with the re-aligned area. Contact TDLWD for assistance.*

D. Service Delivery:

1. How will the case loads for the 3 transitioning counties be handled? How/when will the case loads be transferred in VOS?
 - *We are working on a plan on how the state will convert records. It would be very likely that the cases do not get reassigned and have to be manually reassigned once the new regions are set up. The performance unit would advise LWDA staff to print off and keep hard copy and electronic records of their cases in case they have to go into the system and reassign the cases that they were working on.*
 - *We are working with GSI to give guidance on how we will convert data in VOS.*
2. Since every person/business in VOS is assigned an area location and center by a numeric code, and now all numeric values will change for at least 90% of the counties, and that each provider only has access to certain area assigned customers, how will the state work with GEOSOL to ensure that on October 1st, 2018 the new areas and providers can access all of their existing, and now new, customers?
 - *We are working now to establish guidelines and dates for the changes that will take place.*
3. What is the anticipated time frame for converting the configuration of VOS to reflect the newly realigned LWDAs with respect to running performance and financial reports?
 - *We are working now to establish guidelines and dates for the changes.*
4. What are the time frame and requirements for transitioning the activities of creating vouchers and entering payments and program related performance outcomes in VOS from

above the firewall with the fiscal agent to below the firewall with the career services provider?

➤ *This should be a standard process in place effective October 1st, 2018 for all LWDA's.*

5. How will performance for 2018-19 be negotiated? What are the guidelines and definitions and calculations of the 2018 MPCR at 50% regionally?

➤ *Use guidance provided in State policy (TN-WIOA 17-11) to calculate MPCR by local area. Then calculate Regional MPCR by taking the sum of the MPCR for all local areas in that region divided the total count of local areas.*

6. There are still unanswered questions, concerns and rumors for our WIOA staff. How should we address these concerns in the interim and not risk losing good staff through this transition? Also, what is the process and timeline for them to transition to the new service provider moving forward?

➤ *This is a LWDB-level issue and must be discussed and hashed out between the LWDBs. LWDA's need to be working closely together to make this transition to address these types of items. Employment matters associated with entities serving as contractors (for example, OSOs and career service providers) are the responsibility of the organization/entity and not the LWDB or TDLWD.*

E. Policy:

1. Since new LWDA policies are different than those of the previous LWDA's, assume when case loads are transferred that the previous area's policies will apply?

➤ *The existing LWDA's policy will apply/govern the participants until October 1st, 2018. LWDA's must review and adopt their policies accordingly to reflect the re-alignment. Beginning October 1st, 2018 policies created under the new naming convention should govern from October 1st, 2018 forward.*

2. Since the AJC MOU and IFA will no longer be valid what guidance will the state have and what timeline to have new ones in place?

➤ *Utilize/extend the existing MOUs and IFA from June 30th, 2018 - September 30th, 2018. New MOUs and IFAs must be in place by October 1st, 2018 to reflect the new structure under re-alignment. This will vary by LWDA based on how re-alignment impacted the area.*

3. We need legal advice on the last paragraph that talks about extending current contracts because re-aligned areas that have not approved will inherit contracts that are going to have to pay for contracts they didn't create?

➤ *See Section C, question 9 (on page 5 of this document). Furthermore, reference the Local Board Roles During Re-Alignment chart, provided as an attachment to this FAQ.*

4. What is policy for MOU/IFAs? How will these documents be handled during the transition occurring July 1st, 2018 through September 30th, 2018?

➤ *Extend existing agreements to October 1st, 2018 until the new MOUs/IFAs take effect on October 1st, 2018. The MOUs/IFAs which take effect October 1st, 2018 will remain effective through June 30th, 2019.*