

MOU CLARIFICATION

The following clarification applies to MOUs covering those Centers creating a common customer pool and not having any One Stop partners besides WIA adult, dislocated workers and OESC that share Center costs.

MOU Tool Kit, OETI 06-2004, says the MOU must demonstrate how the costs of system (shared) services will be funded. It also requires that the total local system costs and the resources that will support those costs be identified. The September 14, 2006 email clarifying MOU requirements indicates that the “MOU will still require a cost sharing section but in this circumstance will no longer require a proportionate basis for sharing pooled costs,” and “you still must reflect these (funding) decisions in your MOU.”

We have received inquiries about what is actually required to create a cost sharing portion of an MOU in the above circumstances. Our recommendation would be to simplify your MOU based on this exception to proportionality opportunity.

When you must pool all costs, apply your allocation basis to this pool, etc., you are forced to indicate the actual dollar amount of each shared cost, otherwise you can't display each partners proportionate share. In the limited circumstance of being exempt from proportionality there is not a requirement to display each dollar amount, merely to reflect the shared Center costs and which of the two organizations, WIA and OESC, will pay for which cost.

We recommend that at minimum you include the Center costs listed on page 18 of the MOU Tool Kit and create columns to indicate which of the organizations, OESC or the WIA service provider will cover that cost and another column indicating if both will pay some portion of a particular cost. Using the list on page 18 may also mean that some listed cost, e.g., a receptionist, may not occur in your Center. In that case, just put N/A in the appropriate columns. See attached sample.

While the sample is very simple, it should reflect all shared Center costs and which of the two integrated program entities will fund that cost. We believe this complies with established policy for a cost sharing section in your MOU in those limited instances described in the September 14, 2006 MOU clarification.

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CENTER COSTS	OESC	WIA	BOTH
Receptionist	X		
Resource Room staff	X		
T-1 lines (high-speed access to Internet)	X		
Local marketing			X
Local customer feedback mechanisms		X	
Resource Room computer replacement, upgrade, and maintenance.			X
Resource Room career decision making software, books, resume materials, etc.			X
Customer and partner Fax rental, repair, and maintenance.		X	
Customer and partner copier rental, repairs, and maintenance.		X	
Office supplies.			X
Postage	X		
Printing.			X