

<b>EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> WIOA Governance
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**ADVISORY:** TRAINING AND EMPLOYMENT GUIDANCE LETTER WIOA NO. 27-14  
OPERATING GUIDANCE for the WORKFORCE INNOVATION AND  
OPPORTUNITY ACT (referred to as WIOA or the Opportunity Act)

**TO:** STATE WORKFORCE AGENCIES  
STATE WORKFORCE ADMINISTRATORS  
STATE WORKFORCE LIAISONS  
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS

**FROM:** PORTIA WU   
Assistant Secretary

**SUBJECT:** Workforce Innovation and Opportunity Act Transition Authority for Immediate  
Implementation of Governance Provisions

1. **Purpose.** This guidance clarifies the governance-related activities that States must complete by July 1, 2015, which is the beginning of Program Year 2015, in order to ensure an orderly transition to the Workforce Innovation and Opportunity Act (WIOA). Additionally, this guidance summarizes other governance-related activities that the Department encourages States to complete as soon as possible, but are not required by July 1, 2015.

WIOA was signed into law on July 22, 2014. WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. WIOA supersedes the Workforce Investment Act of 1998 and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973. In general, the Act takes effect on July 1, 2015, the first full program year after enactment, unless otherwise noted.

The Departments of Labor and Education are working to publish a set of regulations implementing WIOA. On April 9<sup>th</sup>, the Federal Register posted five Notices of Proposed Rulemaking (NPRMs) implementing the Opportunity Act on its Web site for public inspection, <https://www.federalregister.gov/public-inspection>, which offers a preview of documents scheduled to publish soon in the Federal Register. The NPRMs will be formally published in the Federal Register on April 16<sup>th</sup>. Comments should be submitted in accordance with the process outlined in the NPRMs, including by visiting <http://www.regulations.gov>. The comment period will be open for 60 days, and will close on June 15, 2015.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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In order to continue implementation prior to the final rule, a series of WIOA Operating Guidance documents that provide the needed implementation information will be issued in the form of Training and Employment Guidance Letters (TEGLs). These Operating Guidance documents on WIOA will inform the workforce system how to begin the important planning and reorganization necessary to comply with new WIOA statutory requirements for the upcoming Program Year 2015 (beginning July 1, 2015). The Operating Guidance TEGLs will provide a framework for program activities until the regulations are finalized. This TEGL is one in the ongoing series of Guidance.

2. **References.**

- See Attachment I.

3. **Application of WIOA Transition Provisions.** Section 503 of WIOA provides the Secretary of Labor with the authority to take such actions as the Secretary determines to be appropriate to provide for the orderly transition from the Workforce Investment Act of 1998 to WIOA. In accordance with this authority, the Department will require States to immediately take the described actions in this guidance to implement the governance provisions of WIOA. These actions will maximize the State's opportunity for more timely and effective transition to WIOA.

4. **Appointment of WIOA-Compliant State Workforce Development Board.** Most provisions of WIOA take effect on July 1, 2015, including those related to State and local governance of the workforce system. As such, the Department expects Governors to immediately constitute a WIOA-compliant State Workforce Development Board (State Board) to initiate and oversee critical transition activities, including the designation of local workforce development areas, the identification of regions, the development of criteria for Local Board appointments, and beginning the State planning process. The establishment of a WIOA-compliant State Board will enable the State to initiate these actions critical to transition, and position the State for implementation of the provisions that go into effect July 1, 2015 and beyond.

The State Board represents a wide variety of individuals, businesses, and organizations throughout the State. WIOA is designed to help job seekers and workers access employment, education, training, and support services needed to succeed in the labor market and to match employers with the skilled workers needed to compete in the global economy. Further, the State Board must take a leadership role to ensure that the one-stop system in each State is customer driven, for both job seekers and employers. This effort includes aligning federal investments in job training, integrating service delivery across programs, and ensuring that the workforce system is job-driven and matches employers with skilled individuals.

The State Board will serve as a convener of State, regional, and local workforce system partners to enhance the capacity and performance of the workforce development system; align and improve employment, training, and education programs, and through these efforts, promote economic growth. As a strategic convener, the State Board promotes partnerships and engages key stakeholders. This role can only be accomplished if each State Board

member is an active participant in the business of the board. State Board members must actively participate and collaborate closely with the partners of the workforce development system, including public and private organizations. This engagement is crucial in the State Board's role to help integrate and align a more effective job-driven workforce investment system that invests in the connection between education and the career preparation development system.

- A. Criteria for Selection and Appointment of State Board Members. Attachment II provides the specific State Board membership requirements and Governors must appoint board members in accordance with Attachment II. While similar to WIA, the new statute does introduce changes to several membership requirements and criteria for the selection of board members. When appointing a WIOA-compliant Board, the Governor must follow the criteria provided in this guidance until the final regulations take effect.

The State Board composition consists of: a majority of business representatives, who are appointed from among individuals nominated by State business organizations and business trade associations; at least 20 percent of representatives of the workforce, including two or more representatives of labor organizations nominated by State labor federations and at least one representative of a joint labor-management apprenticeship program; and government representatives constituting the remainder. The membership of the State Board must meet the requirements of WIOA 101(b)(1)(described in Attachment II) and must represent diverse geographic areas of the State, including urban, rural, and suburban areas. WIOA section 101(b)(2) also states that the chairperson of the State Board must be selected by the Governor from among the business representatives. As a general condition of State Board membership, all representatives must have optimum policy-making authority. Because WIOA sec. 101(d) adds State Board functions that were not included in the Workforce Investment Act (WIA), such as identifying and disseminating information on best practices and developing and reviewing statewide policies affecting the coordinated provision of services through the State's one-stop delivery system, all members, not just those representing the business community, must have optimum policy-making authority to accomplish the purposes of WIOA, and to conduct the State Board required functions. Additionally, representatives appointed from the optional membership categories including representatives of community based organizations addressing the employment, training, or education needs of individuals with barriers to employment including organizations that serve veterans, individuals with disabilities, and eligible youth, including organizations that serve out of school youth (OSY) must demonstrate "experience and expertise" in these fields.

The Department considers an individual that can reasonably be expected to speak affirmatively on behalf of the entity they represent and to commit that entity to a chosen course of action to have "optimum policy-making authority." Additionally, the Department considers an individual to have "demonstrated experience and expertise" if they have documented leadership in developing or implementing workforce development, human resources, training and development, or a core program function.

The Department encourages the Governor to take a broad and strategic view when appointing members of the State Board, and also in establishing processes that it will use to include necessary perspectives in carrying out State Board functions. For example, alignment of required one-stop partner investments is essential to achieving strategic and programmatic alignment at the State, regional, and local level. One method for expanding the diversity of perspectives on the board is through the appointment of board members from the optional membership categories. Including representatives from one-stop partner programs and economic development or juvenile justice programs, individuals who represent an Indian tribe or tribal organizations, and State agency officials responsible for education programs may serve to expand the perspective and experience of the board. Governors may also consider appointing representatives of community-based organizations that have experience addressing the employment, training, or education needs of individuals with barriers to employment, including organizations that serve veterans, individuals with disabilities, and youth. Establishing committees comprised of such groups may also effectively expand opportunities for stakeholders to participate in board decision-making, particularly for representatives of organizations that may no longer sit on the State Board.

- B. New Multi-entity Representation Limitations. While WIA permitted a single board member to satisfy multiple category requirements, WIOA places restrictions on multiple-entity representation for State Board members. WIOA section 101(b)(3) prohibits members from representing an entity in more than one of the three required categories: business representatives, workforce representatives, or government representatives. Additionally, a State board member may generally not represent more than one entity within a category. For example, a single representative within the workforce category could not satisfy the membership requirements for both a Labor representative and a Registered Apprenticeship representative, even if they would otherwise satisfy the criteria for each category individually.

However, where a single government agency is responsible for multiple required programs, the head of the agency may represent each of the required programs. In some instances, it would be appropriate and beneficial for one representative to represent multiple programs on the State Board. In other instances, such arrangements may limit the voice of important partner programs or entities. For example, the head of a State Workforce Agency might represent both the WIOA Title I and Wagner-Peyser programs. This arrangement could serve to improve integration of these two programs and/or help the State Board better achieve the colocation requirements at WIOA 121(e)(3). In other cases, the individual and direct representation of State offices for each core program may be more beneficial in helping the State Board achieve its functions, such as those related to integration of services, the development of career pathways, and the evaluation of core programs to achieve continuous improvement. In States where vocational rehabilitation services or adult education services fall under the State Workforce Agency, appointing a single representative to satisfy the membership requirements of WIOA Title I, Wagner-Peyser, adult education, and vocational rehabilitation services may limit the voice and influence of a core program partner. Governors have discretion when appointing board

members to represent government and should ensure appropriate perspectives are represented on the Board.

- C. Hire Staff if Desired. The State Board may hire a director (in accordance with the qualifications established under section 108(h)(2) of WIOA) and other staff to assist in carrying out the functions described in WIOA section 101(d) using the funds available for State administrative activities under the Youth or Adult and Dislocated Worker formula programs (WIOA sections 129(b)(3) and 134(a)(3)(B)(i)). The director and staff must be subject to the limitations on the payment of salary and bonuses described in WIOA Sec. 194(15).
- D. Exception for Alternative Entities. The State may use any State entity that meets the requirements of WIOA section 101(e) to perform the functions of the State Board as long as the State's first Unified or Combined State Plan demonstrates that the alternative entity meets all of the requirements of WIOA section 101(e)(1). Specifically, the alternative entity was in existence on the day before the date of enactment of the Workforce Investment Act of 1998, is substantially similar to the State Board described in WIOA section 101(a) (relating to establishment by the Governor), (b) (relating to membership), and (c) (relating to the chair), and includes representatives of business and labor organizations in the State. States that wish to continue using an entity that meets these requirements as an alternative State Board must notify their respective ETA Regional Office prior to July 1, 2015.
- E. Sunshine Provisions. As under WIA, the State Board must conduct business in an open manner as required by WIOA section 101(g). Therefore, the State Board must make available to the public on a regular basis, through electronic means and open meetings, information about State Board activities such as the State Plan, modifications to the State Plan, board membership, the State Board's by-laws, and minutes of State Board's meetings.

5. **Designation of Local Areas.**

- A. Identifying Regions and Designating Local Areas.
  - i. Timing for Identification of Regions and Designation of Local Areas. By March 2016, States must describe the designation of local areas and identify regions in their Unified or Combined State Plan. While recognizing that the timelines for the identification of regions and designation of local areas may vary, the Department strongly encourages States and local areas to undertake both regional and local area designation as concurrent and related processes and to consider the designation of local areas in the context of regions to the extent possible.
  - ii. The Context of Regions. The statute permits currently designated local areas to request initial designation under WIOA in PY 2015 or PY 2016. Designations of newly formed local areas, such as those wishing to merge, may occur at any time. The

strategic configuration of a local area(s) within regions facilitates alignment of workforce development activities with regional economic development activities, and better supports the execution and implementation of sector strategies and career pathways. Where an identified region consists of two or more designated local areas, those local areas engage in a regional planning process that includes regional service strategies and cooperative service delivery agreements.

- iii. Further Instructions Regarding Regions. The processes for local area designation are described in more detail below. The Department will issue further guidance on the identification of regions in the near future.

B. The Governor must develop a policy for designation of local workforce development areas. The purpose of a local area is to serve as a jurisdiction for the administration of workforce development activities using Adult, Dislocated Worker, and Youth funds allocated by the State and to coordinate efforts related to the other core programs at a local community level. WIOA Section 106(b) establishes that the Governor must designate local workforce development areas (local areas) in order for the State to receive Adult, Dislocated Worker, and Youth funding under Title I, subtitle B. This guidance describes the steps that the Governor and other State and local entities must complete in order to designate local areas in the State. The Governor must follow the requirements provided in this guidance until the final regulations take effect.

- i. By July 1, 2015, the Governor, in consultation with the State Board, must develop a policy and procedure for the designation of all local areas, as well as a policy for the designation of new local areas. For all types of designation described in 5.D. and E. of this guidance, the policy must include:
  - a. Consultation with the State Board;
  - b. Consultation with the chief elected officials and affected Local Boards; and
  - c. Consideration of comments received through a public comment process. The public comment period must offer adequate time for public comment prior to designation of the local workforce development area and provide an opportunity for representatives of interested business, education, and labor organizations to have input into the development of the formation of the local area.
- ii. For new local areas, the policy must include, at a minimum, consideration of the extent to which the proposed area:
  - a. Is consistent with local labor market areas;
  - b. Has a common economic development area; and

- c. Has the federal and non-federal resources, including appropriate education and training institutions, to administer activities under the Youth, Adult and Dislocated Worker formula programs under WIOA subtitle B.

C. Requirements for initial designation of local areas that had been designated under WIA and want to continue as WIOA local areas.

- i. Requesting Initial Designation. Chief elected officials and local boards of local areas that currently operate under WIA have the option of requesting local area designation status under WIOA. The Department encourages such requests to be completed prior to the onset of PY 15; however, such requests may be made after July 1, 2015. The Governor may establish a procedure for accepting such requests from local areas. If the chief elected official and local board in a local area submits a request for initial designation, the Governor must approve the request if the entity was designated as a local area for purposes of WIA, performed successfully, and sustained fiscal integrity for the two years preceding the enactment of WIOA. If a local area is approved for initial designation, the period of initial designation applies to program years 2015 and 2016.
- ii. “Performed Successfully” Definition: For the purpose of initial local area designation, the term "performed successfully" means that the local area met or exceeded the levels of performance the Governor negotiated with the Local Board and chief elected official and the local area has not failed any individual measure for the last 2 consecutive program years before the enactment of WIOA. The terms "met or exceeded" and "failure" must be defined by the Governor in the State's policy consistent with how those terms were defined at the time the performance levels were negotiated. When designating local areas, the Governor may not retroactively apply any higher WIOA threshold to performance negotiated and achieved under WIA.
- iii. “Sustained Fiscal Integrity” Definition: For the purpose of determining initial local area designation, the term "sustained fiscal integrity" means that the Secretary has not made a formal determination that either the grant recipient or the administrative entity of the area misexpended funds due to willful disregard of the requirements of the provision involved, gross negligence, or failure to comply with accepted standards of administration for the two-year period preceding the determination.
- iv. Appeals: In order to facilitate the orderly designation of local areas under WIOA, the State Board must develop a formal appeals policy for units of local government that request but are denied initial designation status. In addition to the State's criteria, the policy must include the provision that if a decision on the appeal is not rendered in a timely manner or if the appeal to the State Board does not result in

designation, the entity may request review by the Secretary of Labor. The Secretary may require that the area be designated as a workforce development area, if the Secretary determines that the entity was not accorded procedural rights under the State appeals process or if the area meets the initial designation requirements at WIOA sec. 106(b)(2).

- D. Requirements for designation of new local areas. At any time, the Chief Local Elected Official (CLEO) and Local Board from any unit of general local government or combination of units may submit a request for designation as a workforce development area. The State Board must determine if the new local area meets the Governor's policy criteria established in section 5.C. of this guidance and recommend designation. The Governor may approve or deny the request for designation, in accordance with established policy.
- E. Special Provisions for Single- State Local Areas Under WIA. The Governor of any State that was a single State local area under WIA as in effect on July 1, 2013 may designate the State as a single State local area under WIOA. The Governor of a single State local area under WIA who seeks to designate the State as a single State local area under WIOA must identify the State as a single State local area in the Unified or Combined State Plan and include the local plan for approval as part of the Unified or Combined State Plan. The State Board must also carry out the functions of the Local Board, except that the State is not required to meet and report on a set of local performance accountability measures.

States that were not single State local areas under WIA may not designate themselves as a single State local area under WIOA.

## 6. State Activities Required to Transition to a WIOA-compliant Local Board.

- A. Composition of Local Boards. The Local Board represents a wide variety of individuals, businesses, and organizations throughout the local area. The Local Board serves as a strategic convener to promote and broker effective relationships between the Chief Local Elected Officials and economic, education, and workforce partners throughout the local area. The Local Board is responsible for developing a strategy to continuously improve and strengthen the workforce development system through innovation in, and alignment and improvement of, employment, training, and education programs to promote economic growth. Local Board members must actively participate and collaborate closely with the required and other partners of the workforce development system, including public and private organizations. This is crucial to the Local Board's role to integrate and align a more effective, job-driven workforce development system. The Local Board must work to develop a comprehensive and high-quality workforce development system by collaborating with its workforce, education, and economic development partners to improve and align employment, training, and education programs under WIOA.



In addition to taking immediate action to appoint a WIOA-compliant State Board, the Governor and State Board must establish criteria prior to July 1, 2015 that the CLEO must follow for the appointment of a WIOA-compliant Local Board. Development of the State criteria will enable CLEOs to make necessary appointments so that Local Boards can proceed with necessary local implementation activities.

- i. Minimum criteria that must be contained in State policy for Local Board appointments. Criteria established by the State for Local Board membership appointments must, at minimum, meet the requirements provided in Attachment III and this guidance.

For each local area in the State, the members of Local Board must be selected by the CLEO consistent with criteria established by the Governor and State Board pursuant to WIOA section 107(b)(1) and must meet the composition requirements of WIOA section 107(b)(2). Additionally, the Local Board must elect a chairperson from among the business representatives on the Local Board as required by WIOA section 107(b)(3).

The Local Board must include representatives from four categories.

First, a majority of members must be business representatives who are owners, chief executive or operating officers, or other business executives, or employers with optimum policymaking or hiring authority. They are to be representatives of businesses, including small businesses, or organizations representing businesses, that provide employment opportunities in the local area in in-demand industry sectors or occupations (as defined in WIOA section 3(23)). These representatives are uniquely suited to communicate the emerging workforce needs of employers in high-growth, in-demand sectors to the Local Board.

Second, not less than 20 percent of the members of the Local Board must be workforce representatives. Such representatives must include: two or more representatives of labor organizations (or other employee representatives if there are no labor organizations operating in the local area) and one or more representatives of a joint-labor management registered apprenticeship program (or other registered apprenticeship program if there is no joint labor-management program in the local area). In areas with joint apprenticeship programs, the apprenticeship representative must be a member of a labor organization or a training director.

In addition, the workforce representatives may include one or more representatives of community based organizations (CBOs) with demonstrated experience and expertise in addressing the employment needs of individual barriers to employment (including organizations that serve veterans or that provide or support competitive integrated employment for individuals with

disabilities), and one or more representative of organizations with demonstrated experience and expertise in addressing the employment, training, or education needs of WIOA-eligible youth, including organizations serving out-of-school youth (OSY).

Third, the members must include representatives of entities administering education and training activities in the local area. At least one of these members must be a representative of providers of adult education and literacy activities under Title II of WIOA, and at least one of these members must be a representative of higher education institutions that provide workforce training (including community colleges). These members may include representatives of local education agencies and CBOs with demonstrated expertise and experience in addressing the education or training needs of individuals with barriers to employment.

Fourth, the members must include representatives of governmental and economic and community development entities in the local area, including at least one representative of each of the following: economic or community development entities, the State Employment Service Office under Wagner-Peyser serving the local area, and programs carried out under Title I of the Rehabilitation Act of 1973.

In addition to these four categories, the CLEO may appoint other individuals to the Local Board at his or her discretion, such as local agencies or entities administering transportation, housing and public assistance, and philanthropic organizations.

These provisions allow the CLEO the flexibility to assemble a Local Board that connects all key resources and stakeholders.

- ii. Policy for the Nomination of Business, Labor, Adult Education and Institutions of Higher Education. As with WIA, WIOA requires that the business representatives be appointed from among individuals nominated by local business organizations and business trade associations and that the representatives from labor organizations be appointed from among individuals who have been nominated from local labor federations. The CLEO must establish a formal policy to facilitate these nominations.

When there is more than one local area provider of adult education and literacy activities under Title II, or multiple institutions of higher education providing workforce investment activities the CLEO must solicit nominations from those providers and institutions, respectively, in appointing the required representatives. This requirement provides for a representative selection process for these membership categories.

- iii. Additional Selection Requirements. The representatives appointed to local workforce development boards must have "optimum policy-making authority", that is the individual may reasonably be expected to speak affirmatively on behalf of the entity he or she represents and to commit that entity to a chosen course of action.

The members who are representatives of organizations with "demonstrated experience and expertise" described in subcategories under the workforce representatives and the education and training representatives means an individual who is a workplace learning advisor as defined in WIOA sec. 3 (70); contributes to the field of workforce development, human resources, training and development, or a core program function; or the Local Board recognizes for valuable contributions in education or workforce development related fields.

- iv. Multiple entity representation. Unlike the State Board, members of the Local Board may be appointed as a representative of more than one entity if the individual meets all the criteria for representation, including the criteria described in 6.A.i. of this guidance (Local Board membership requirements), for each entity represented.
- v. Standing Committees. WIOA authorizes Local Boards to establish to standing committees to assist the Local Board in carrying out its responsibilities. The Department encourages the use of standing committees to expand opportunities for stakeholders to participate in board decision-making, particularly for representatives of organizations that may no longer sit on the Local Board but continue to have a stake in the success of board decisions. Such committees also expand the capacity of the board in meeting required functions

Local Boards may establish standing committees that include individuals who are not formal members of the board, but who have expertise to advise on issues that support the board's ability to attain the goals of the State, local and regional plans, and the objective of providing customer focused services to individuals and businesses. Standing committees must be chaired by a member of the Local Board.

*Youth Standing Committees* - Under WIA, Youth Councils were mandated to fulfill this function for the Board. (For the current national list of Youth Councils, please visit <http://www.servicelocator.org/youthcouncil.asp>.) While WIOA eliminates the requirement for Local Boards to establish a Youth Council, the Department encourages Local Boards to establish, "a standing committee to provide information and to assist with planning, operational, and other issues relating to the provision of services to youth, which shall include community-based organizations with a demonstrated record of success in serving eligible youth," as permitted by Sec. 107(b)(4)(A)(ii) of WIOA. Existing Youth Councils can serve a critical role in helping local youth programs transition to WIOA. The

Department suggests Local Boards consider taking advantage of the flexibility under WIOA to design standing youth committee membership to meet the local area's needs.

WIOA further permits a Local Board to designate an existing Youth Council as a youth standing committee if the Youth Council fulfills the requirements of a standing committee (WIOA section 107(b)(4)(C)). While the Department encourages Local Boards to designate their high performing Youth Councils as standing youth committees, WIOA does not require it. Local Boards may create a new standing youth committee that has different membership than the Youth Council under WIA in order to design standing youth committee membership to meet the local area's needs. A Local Board may also choose not to establish a standing youth committee at all. If so, the Local Board is still responsible for conducting oversight of youth workforce investment activities under WIOA section 129(c) and identifying eligible providers of youth workforce investment activities in the local area by awarding grants or contracts on a competitive basis.

*Other Standing Committees* - Additional standing committees may include:

- (1) A standing committee to provide information and assist with operational and other issues relating to the one-stop delivery system, which may include representatives of the one-stop partners;
- (2) A standing committee to provide information and to assist with operational and other issues relating to the provision of services to individuals with disabilities, including issues relating to compliance with WIOA sec. 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 regarding providing programmatic and physical access to the services, programs, and activities of the one-stop delivery system, as well as appropriate training for staff on providing supports for or accommodations to, and finding employment opportunities for individuals with disabilities; or
- (3) Other standing committees identified and appointed by the CLEO.

7. **Timeframe for Implementing Governance Activities.** The following summary distinguishes which activities are required by July 1, 2015 and those activities that may be completed after July, 1 2015.

The following activities must be completed by July 1, 2015:

- The Governor must appoint a WIOA-compliant State Board;
- States that meet the requirements of alternate entities under 4.D. of this guidance and wish to continue to operate as an alternative State Board entity must notify their respective ETA Regional Office;

- The Governor, in consultation with the State Board, must develop a policy for designation of local workforce development areas; and
- The Governor must establish criteria for the selection and appointment of Local Board members.

The following activities may be completed after July 1, 2015:

- The Governor, in consultation with the State Board, must designate local areas. For existing WIA local areas that wish to request initial designation under WIOA, the Department encourages States to approve all requests for initial designation of local areas by July 1, 2015;
- The Governor, in consultation with the State Board must identify regions in the submission of their WIOA Unified or Combined State Plan; and
- The CLEO must appoint a WIOA-compliant Local Board. The Department strongly encourages CLEOs to appoint a WIOA-compliant Local Board within the first quarter of PY 2015. The Department is allowing this additional time to ensure a more orderly transition to WIOA (section 503).

8. **Requested Action.** States must proceed with the actions outlined in Sections 4, 5, and 6 of this guidance.
9. **Inquiries.** Please direct any questions about WIOA implementation to the appropriate ETA regional office.
10. **Attachments.**
  - Attachment I: References
  - Attachment II: State Board Membership Requirements
  - Attachment III: Local Board Membership Requirements

## ATTACHMENT I

### WIOA Operating Guidance TEGL References

- WIOA (Pub. L. 113-128) Title I, Sections 101, 106, and 107;
- TEGL No. 19-14, *Vision for the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act*; and
- WIA (Pub. L. 105-220), Title I.

ATTACHMENT II

State Board Membership Requirements

Required SWDB Members	Who May Satisfy The Requirement
<p><b>The Governor</b> (WIOA Section 101(b)(1)(A))</p>	<p><b>The Governor.</b></p>
<p><b>Representatives of State Legislature</b> (WIOA Section 101(b)(1)(B))</p>	<p><b>One member of each chamber of the State legislature</b> (to the extent consistent with State law), appointed by the appropriate presiding officers of such chamber.</p>
<p><b>Representatives of Business</b> (WIOA Section 101(b)(1)(C)(i))</p>	<p><b>The majority</b> of the board must consist of representatives of business who:</p> <ul style="list-style-type: none"> <li>• are owners of businesses, chief executives or operating officers of businesses, or other business executives or employers with optimum policy-making or hiring authority, and who, in addition, may be members of a Local Board described in section 107(b)(2)(A)(i);</li> <li>• represent businesses (including at least one representative of small business), or organizations representing businesses and provide employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the State; and</li> <li>• are appointed from among individuals nominated by State business organizations and business trade associations.</li> </ul>
<p><b>Representatives of Workforce</b> (WIOA Section 101(b)(1)(C)(ii))</p>	<p><b>Not less than 20 percent</b> shall be representatives of the workforce within the State, who must include:</p> <ul style="list-style-type: none"> <li>• <b>Two or more</b> representatives of labor organizations, who have been nominated by State labor federations;</li> <li>• <b>One or more</b> representative, who must be a member of a labor organization or a training director, from a joint labor-management registered apprenticeship program, or if no such joint program exists in the State, such a representative of a registered apprenticeship program in the State;</li> </ul> <p>In addition to the representatives enumerated above, <b>the Governor may appoint one or more representatives</b> of the following organizations to contribute to the 20 percent requirement:</p> <ul style="list-style-type: none"> <li>• representatives of community-based organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive, integrated employment for individuals with disabilities; and</li> </ul>

	<p>training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth.</p>
<p><b>Representatives of Government</b>  (WIOA Section 101(b)(1)(C)(iii))</p>	<p>The balance of State Board membership <b>must include:</b></p> <ul style="list-style-type: none"> <li>• <b>the lead State officials</b> with primary responsibility for the core programs; and</li> <li>• <b>two or more</b> chief elected officials (collectively representing both cities and counties, where appropriate).</li> </ul> <p><b>In addition to the representatives enumerated above, the Governor may appoint</b> such other representatives such as:</p> <ul style="list-style-type: none"> <li>• the State agency officials from agencies that are one-stop partners (including additional one-stop partners whose programs are covered by the State plan, if any);</li> <li>• State agency officials responsible for economic development or juvenile justice programs in the State;</li> <li>• individuals who represent an Indian tribe or tribal organization, as such terms are defined in section 166(b); and</li> <li>• State agency officials responsible for education programs in the State, including chief executive officers of community colleges and other institutions of higher education.</li> </ul>



ATTACHMENT III

Local Board Membership Requirements

LWDB Members	Who May Satisfy The Requirement
<p><b>Representatives of Business</b> (WIOA Section 107(b)(2)(A))</p>	<p><b>The majority</b> of the members of the Local Board must be representatives of business in the local area. At a minimum, two members must represent small business as defined by the U.S. Small Business Administration. Business representatives serving on Local Boards may also serve on the State Board. Each business representative must meet the following criteria:</p> <ul style="list-style-type: none"> <li>• be an owner, chief executive officer, chief operating officer, or other individual with optimum policymaking or hiring authority;</li> <li>• provide employment opportunities in in-demand industry sectors or occupations, as those terms are defined in WIOA section 3(23); and provide high-quality, work-relevant training and development opportunities to its workforce or the workforce of others (in the case of organizations representing business as per WIOA Sec. 107(b)(2)(A)(ii); and</li> <li>• are appointed from among individuals nominated by local business organizations and business trade associations.</li> </ul>
<p><b>Representatives of Workforce</b> (WIOA Section 107(b)(2)(B))</p>	<p><b>Not less than 20 percent</b> of the members of the Local Board must be workforce representatives. These representatives:</p> <ul style="list-style-type: none"> <li>• must include <b>two or more representatives of labor organizations</b>, where such organizations exist in the local area. Where labor organizations do not exist, representatives must be selected from other employee representatives;</li> <li>• must include <b>one or more representatives of a joint labor-management, or union affiliated, registered apprenticeship program</b> within the area who must be a training director or a member of a labor organization. If no union affiliated registered apprenticeship programs exist in the area, a representative of a registered apprenticeship program with no union affiliation must be appointed, if one exists; and <b>may include:</b></li> </ul> <p>In addition to the representatives enumerated above, the Board may include the following to contribute to the 20 percent requirement:</p> <ul style="list-style-type: none"> <li>• <b>one or more representatives of community-based organizations</b> that have demonstrated experience and expertise in addressing the employment, training or education needs of individuals with barriers to employment, including organizations that serve veterans or provide or support competitive integrated employment for individuals with disabilities; and</li> <li>• <b>one or more representatives of organizations that</b></li> </ul>

	<p><b>demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth.</b></p>
<p><b>Representatives of Education and Training (WIOA Section 107(b)(2)(C))</b></p>	<p>The balance of Local Board membership <b>must include:</b></p> <ul style="list-style-type: none"> <li>• <b>At least one eligible provider</b> administering adult education and literacy activities under WIOA title II;</li> <li>• <b>At least one representative from an institution of higher education</b> providing workforce investment activities, including community colleges; and</li> <li>• <b>At least one representative from each of the following governmental and economic and community development entities:</b> <ul style="list-style-type: none"> <li>o Economic and community development entities;</li> <li>o The state Employment Service Office under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) serving the local area; and</li> <li>o The programs carried out under title I of the Rehabilitation Act of 1973, other than sec. 112 or Part C of that title.</li> </ul> </li> </ul> <p><b>In addition to the representatives enumerated above, the CLEO may appoint</b> other appropriate entities in the local area, including:</p> <ul style="list-style-type: none"> <li>• Entities administering education and training activities who represent local educational agencies or community-based organizations with demonstrated expertise in addressing the education or training needs for individuals with barriers to employment;</li> <li>• Governmental and economic and community development entities who represent transportation, housing, and public assistance programs;</li> <li>• Philanthropic organizations serving the local area; and</li> <li>• Other appropriate individuals as determined by the chief elected official.</li> </ul>