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Employment and Training Division
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Tony Evers, Governor
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March 24, 2025

To: Chief Elected Officials
Workforce Development Board Chairs
Workforce Development Board Directors

From: Danielle Williams, DET Assistant Division Administrator

RE: Memorandum of Understanding (MOU) Guidelines for Program Year 2025-26

Signed by:
Danielle Williams
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PURPOSE

To provide updated guidance for local Workforce Development Boards (WDBs) and One-Stop Partners in both comprehensive and affiliate job centers on the development of the required One-Stop Delivery System Memorandum(a) of Understanding (MOU) for Program Year 2025-26 (July 1, 2025 – June 30, 2026).

BACKGROUND

The Workforce Innovation and Opportunity Act (WIOA) Sec. 121(c)(1) requires the local Workforce Development Board (WDB), with the agreement of the Chief Elected Official (CEO), to develop and enter into an MOU between the WDB and the One-Stop Partners, consistent with WIOA Sec. 121(c)(2), concerning the operation of the one-stop delivery system in a local area. This includes an agreement to jointly fund, based on proportionate use and relative benefit, the infrastructure and shared service delivery costs of the one-stop delivery system. The budget and cost sharing methodologies that best suit the requirements of the participating one-stop partners must be locally negotiated. All shared costs must be in accordance with Part 200, Subpart E of the Uniform Guidance and comply with TEGL 17-16/RSA-TAC-17-03 and Chapter 2.6 of the WIOA Policy Manual at the following link: <https://dwd.wisconsin.gov/wioa/policy/02/02.6.htm>.

DWD-DET requires that MOU budgets be created and retained in its Sharing of Local Area Resources (SOLAR) system. To gain access to SOLAR, individuals must complete a [DETS-10-E](#) form and submit to DETSecurity@dwd.wisconsin.gov.

If local negotiations prove to be unsuccessful within the timeline outlined below, the local WDB must notify DWD-DET in writing by emailing DETWIOA@dwd.wisconsin.gov to request implementation of the State Funding Mechanism, as outlined in Chapter 2.6.2 of the WIOA Policy Manual: <https://dwd.wisconsin.gov/wioa/policy/02/02.6.htm#sectionTwo>.

PY2025-26 GUIDANCE

OPTION 1: CONTINUATION VIA AMENDMENT

For PY2025-26, WDBs with an existing, fully executed MOU whose duration ends in the coming PY, and that determine through the local negotiation process that no substantial changes have occurred, may execute an extension of their MOU using the **PY2025-26 MOU Renewal Amendment** document available at:

<https://dwd.wisconsin.gov/wioa/policy/02/02.6.htm#sectionOne>.

In this case, the WDB must duplicate the prior year's budget in SOLAR (using the Create New Version button), change the dates to reflect the current program year, and place the new budget in "In Review" status upon submission of the PY2025-26 MOU Renewal Amendment document to DWD-DET.

OPTION 2: FULL MOU DEVELOPMENT

Any WDB that does not have an existing, fully executed MOU, or that determines through the local negotiation process that substantial changes to its MOU are required, must collaborate with its One-Stop Partners to develop a PY2025-26 MOU using the following documents linked at

<https://dwd.wisconsin.gov/wioa/policy/02/02.6.htm#sectionOne>:

- PY2025-26 MOU Template
- Attachment A - Infrastructure Funding Agreement Template
- Attachment B – Shared Delivery Costs Agreement Template, **and**
- Attachment C - Services Grid Template.

In addition to these completed documents, the WDB must also develop a related budget in SOLAR reflective of the local areas shared costs and agreed-upon cost allocation methodology(ies).

PROCEDURE

1. Local WDB convenes all WIOA-required one-stop delivery system partners to negotiate the terms of the MOU, including service delivery models and shared costs.
NOTE: DWD's local negotiators should refer to the "PY2025-26 Shared Cost Guidance for DWD Local Negotiators," linked at <https://dwd.wisconsin.gov/wioa/policy/02/02.6.htm#sectionOne>, as necessary, for information on allowable shared costs.
 - a. If negotiations are successful prior to **June 16, 2025**, then proceed to Step 2.
 - b. If negotiations are not successful on or before **June 16, 2025**, the WDB **must** notify DWD-DET to request implementation of the State Funding Mechanism (SFM). Once the SFM is applied, and all partners are notified, in writing, of the results, then proceed to Step 2.
2. WDB staff complete the required documents, as outlined in Option 1 or 2 above and submit documents, in Word format, to DETWIOA@dwd.wisconsin.gov.

NOTE: WDBs **should not** obtain signatures at this time.

If the SFM is applied in Step 1 above, then WDBs must develop a full MOU as outlined in Option 2 above.

Regardless of using Option 1 or 2, budgets must be entered in SOLAR as instructed above and placed in "In Review" status at the time documents are submitted; the "In-Review" status signifies to DWD-DET that documents are ready for DWD review/approval.

Documents submitted should be named according to the following conventions:

- Umbrella MOUs: WDA X_PY25-26 MOU
- Job Center MOUs: WDA X_Job Center Name/Abbreviation_PY25-26 MOU

- IFAs: WDA X_PY25-26_IFA
- SDCAs: WDA X_PY25-26_SDCA
- Services Grids: WDA X_Job Center Name/Abbreviation_Services Grid

3. DWD conducts its internal review process.
4. DWD reviewers determine whether documents are approved or if there are outstanding questions, concerns, and/or revisions needed.
 - a. If DWD reviewers have questions or concerns, DWD staff will contact the WDB so they can be resolved.
 - i. Once issues have been resolved, the WDB must resubmit the documents to DETWIOA@dwd.wisconsin.gov for further review.
 - b. Once DWD reviewers have approved the MOU/budgets, the documents will be sent back to the WDBs for signature routing in DocuSign.
 - i. WDBs should verify party points of contact prior to routing in DocuSign
 - ii. DWD Staff will change the status of the MOUs to "Routing" in SOLAR.
5. Once all documents are signed through DocuSign, the WDBs must return all the signed documents to DETWIOA@dwd.wisconsin.gov.
6. DWD staff will upload the completed documents to SOLAR and change the budget status to "Active."
7. WDBs must share a copy of the final MOU/budgets with all partners or notify them that they are available in SOLAR.

See attached flow chart for procedural reference.

TIMELINE

March 24, 2025: PY25-26 MOU Guidance released by BWT

March 24 - May 30, 2025: WDBs convene partners to conduct local negotiations and determine whether to implement Option 1, Option 2, or whether application of the State Funding Mechanism is needed. (Procedure Step 1)

- BWT will schedule a MOU kickoff meeting to review changes and MOU template updates for WDB and partner program staff
- BWT will schedule a webinar to prior May 30, 2025, to discuss MOU expectations and answer questions prior to the submission deadline

May 30, 2025: Deadline to either:

- (a) Submit required documents to DETWIOA@dwd.wisconsin.gov or
- (b) Notify DWD-DET that local negotiations were unsuccessful and request implementation of the State Funding Mechanism. (Procedure Step 2)

May 30 – June 20, 2025:

- DWD conducts internal review process
- notifies WDBs of questions/necessary revisions or approvals,
- WDB makes revisions and resubmissions, etc.
- If needed, DWD completes steps to initiate SFM. (Steps 3 & 4a)

June 20 – June 30, 2025:

- WDBs obtain partner signatures via DocuSign and return signed documents to DWD,
- DWD uploads the documents and changes SOLAR status to Active
- completed MOU is shared with partners. (Steps 4b-7)

July 1, 2025: Target completion date for all MOUs, regardless of funding mechanism or guidance option.

DWD-DET will consider deviations from this timeline on a case-by-case basis upon written request from the local WDB to DETWIOA@dwd.wisconsin.gov. After July 10, 2025, if no MOU documents have been submitted, and no request to implement the SFM has been received, DWD-DET will contact the local WDB to determine whether it is necessary to apply the SFM regardless of current negotiation status. Please communicate status timely following the timeline above.

DWD-DET's Bureau of Workforce Training is available, as a non-negotiating party, to help facilitate local negotiations and/or provide technical assistance, as needed. Please contact WIOA Governance and Equal Opportunity Specialist Sean Jackett at sean.jackett1@dwd.wisconsin.gov for assistance.

KEY CHANGES

- Following a review of applicable statutes and policies, DWD-DET has determined that full One-Stop System MOUs can remain in effect for up to three program years. Subsequently, annual Renewal Amendments will be phased out over the next two years.
 - For example, if a board is executing a full MOU for PY25-26, the effective dates of the MOU can be July 1, 2025 – June 30, 2028.
 - If a full MOU was executed in PY24-25, a Renewal Amendment can be enacted for PY25-26 to extend the duration of the MOU through June 30, 2027.
 - If a full MOU was executed in PY23-24, and a Renewal Amendment was executed for PY24-25, then a Renewal Amendment can be enacted for PY25-26 to extend the duration of the MOU through June 30, 2026.
 - WDBs can elect to remain on an annual MOU renewal cycle if directed by local policies or preferred by WDB members, staff, or partners.
 - At the three-year mark, a full MOU is required if the WDB and its partners determine that substantial changes are necessary. If the WDB and its partners determine that no substantial changes are required, a MOU renewal amendment may be enacted to extend the duration of the MOU for up to three years.
 - If at any point in the cycle, the WDB and its partners determine that substantial changes to the MOU are required, Section VII. Modification of the MOU may be used to amend the existing MOU. WDBs also have the option to create a new MOU to supersede the previous version that may be effective for up to 3 years.
 - Note: annual SOLAR budgets are still required for each job center. If changes or renegotiation are not necessary, the same budget should be copied forward into the next program year. This can be accomplished by creating a new version of the budget in SOLAR.

Cc:

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Ben Konruff, State Director of Adult Education & Literacy Services
Tasha Jenkins, Director, Bureau of Job Service
Gary Meyer, Director, Office of Veteran Employment Services
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