under title I of WIA. Additional re-
quirements apply to the provision of
all labor exchange services under the
Wagner-Peyser Act. (WIA sec.
134(c)(1)(D).)

§ 662.270 How are the costs of pro-
viding services through the One-
Stop delivery system and the oper-
ating costs of the system to be fund-
ed?
The MOU must describe the par-
ticular funding arrangements for ser-
vices and operating costs of the One-
Stop delivery system. Each partner
must contribute a fair share of the op-
erating costs of the One-Stop delivery
system proportionate to the use of the
system by individuals attributable to
the partner’s program. There are a
number of methods, consistent with
the requirements of the relevant OMB
circulars, that may be used for allo-
cating costs among the partners. Some
of these methodologies include alloca-
tions based on direct charges, cost
pooling, indirect cost rates and activ-
ity-based cost allocation plans. Addi-
tional guidance relating to cost alloca-
tion methods may be issued by the De-
partment in consultation with the
other appropriate Federal agencies.

§ 662.280 Does title I require One-Stop
partners to use their funds for indi-
viduals who are not eligible for the
partner’s program or for services
that are not authorized under the
partner’s program?
No, the requirements of the partner’s
program continue to apply. The Act in-
tends to create a seamless service de-
ivery system for individuals seeking
workforce development services by
linking the One-Stop partners in the
One-Stop delivery system. While the
overall effect is to provide universal
access to core services, the resources
of each partner may only be used to pro-
vide services that are authorized and
provided under the partner’s program
to individuals who are eligible under
such program. (WIA sec. 121(b)(1).)

§ 662.300 What is the Memorandum of
Understanding (MOU)?
(a) The Memorandum of Under-
standing (MOU) is an agreement de-
veloped and executed between the Local
Board, with the agreement of the chief
elected official, and the One-Stop part-
ners relating to the operation of the
One-Stop delivery system in the local
area.
(b) The MOU must contain the provi-
sions required by WIA section 121(c)(2).
These provisions cover services to be
provided through the One-Stop delivery
system; the funding of the services and
operating costs of the system; and
methods for referring individuals be-
tween the One-Stop operators and part-
ners. The MOU’s provisions also must
determine the duration and procedures
for amending the MOU, and may con-
tain any other provisions that are con-
sistent with WIA title I and the WIA
regulations agreed to by the parties.
(WIA sec. 121(c).)

§ 662.310 Is there a single MOU for the
local area or are there to be sepa-
rate MOU’s between the Local
Board and each partner?
(a) A single “umbrella” MOU may be
developed that addresses the issues re-
lating to the local One-Stop delivery
system for the Local Board, chief elect-
ed official and all partners, or the
Local Board, chief elected official and
the partners may decide to enter into
separate agreements between the Local
Board (with the agreement of the chief
elected official) and one or more part-
ners. Under either approach, the re-
quirements described in this subpart
apply. Since funds are generally appro-
priated annually, financial agreements
may be negotiated with each partner
annually to clarify funding of services
and operating costs of the system
under the MOU.
(b) WIA emphasizes full and effective
partnerships between Local Boards,
chief elected officials and One-Stop
partners. Local Boards and partners