

Department of Workforce Development
Employment and Training Division
Administrator's Office
201 E. Washington Avenue
P.O. Box 7972
Madison, WI 53707
Email: dwdet@dwd.wisconsin.gov



Tony Evers, Governor
Amy Pechacek, Secretary

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February 16, 2026

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 2026-27

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 2026-27 (July 1, 2026 – June 30, 2027).

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.

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 DETWIOAGOVERNANCE@dwd.wisconsin.gov to request implementation of the State Funding Mechanism, as outlined in [Chapter 2.6.2](#) of the WIOA Policy Manual.

PY2026-27 GUIDANCE

OPTION 1: CONTINUATION VIA AMENDMENT

For PY2026-27, WDBs with an existing, fully executed MOU whose duration ends in the current PY, and that determine through the local negotiation process that no substantial changes have occurred, may execute an extension of their MOU via a Renewal Amendment. Please note, there are two versions of the Renewal Amendment available in the Resource box in [Chapter 2.6 One-Stop Delivery System Memoranda of Understanding \(MOUs\)](#):

- **PY26-27 MOU Renewal Amendment V1 Termination Language** – Must be used if the WDB's original MOU was executed prior to PY2025-26, so therefore does not contain language related to "termination due to loss and/or reduction of funding" in Section VII: Modification and Termination.
- **PY26-27 MOU Renewal Amendment V2** – Must be used if the WDB's original MOU was executed in PY2025-26, so already contains "termination due to loss and/or reduction of funding" language in Section VII: Modification and Termination.

If using a Renewal Amendment, 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 PY2026-27 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 PY2026-27 MOU using the following documents linked in the Resource box in [Chapter 2.6 One-Stop Delivery System Memoranda of Understanding \(MOUs\)](#):

- PY26-27 MOU Template
- Attachment A1 – PY26-27 Infrastructure Funding Agreement – Comprehensive Template
- Attachment A2 – PY26-27 Infrastructure Funding Agreement – Affiliate Template
- Attachment B – PY26-27 Shared Delivery Costs Agreement Template, **and**
- Attachment C – PY26-27 Services Grid.

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

NOTE: SOLAR Budgets

Any WDB with an existing, fully executed MOU or Renewal Amendment that extends beyond June 30, 2027, must create a SOLAR budget for each Job Center for the PY.

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.

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 "PY26-27 Shared Cost Guidance for DWD Local Negotiators," in the Resources box in [Chapter 2.6 One-Stop Delivery System Memoranda of Understanding \(MOUs\)](#) as necessary, for information on allowable shared costs.

- a. If negotiations are successful prior to **May 29, 2026**, then proceed to Step 2.
- b. If negotiations are not successful on or before **May 29, 2026**, 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 DETWIOAGOVERNANCE@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 the Option used, 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 PY26-27 MOU
- MOU Renewal Amendment: WDA X PY26-27 MOU Renewal Amendment
- Job Center MOUs: WDA X Job Center Name/Abbreviation PY26-27 MOU
- Umbrella IFAs: WDA X PY26-27 IFA
- Job Center IFAs: WDA X PY26-27 IFA Job Center Name/Abbreviation
- Umbrella SDCAs: WDA X PY26-27 SDCA
- Job Center SDCAs: WDA X PY26-27 SDCA Job Center Name/Abbreviation
- 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-DET staff will contact the WDB so they can be resolved.
 - i. Once issues have been resolved, the WDB must resubmit the documents to DETWIOAGOVERNANCE@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-DET 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 DETWIOAGOVERNANCE@dwd.wisconsin.gov.
6. DWD-DET 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.

TIMELINE

February 16, 2026: PY26-27 MOU Guidance released by DWD-DET.

February 16 - May 29, 2026: WDBs convene partners to conduct local negotiations and determine whether to implement Option 1, Option 2, or whether application of the State Funding Mechanism (SFM) is needed (Procedure Step 1).

May 30, 2026: Deadline to either:

- (a) Submit required documents to DETWIOAGOVERNANCE@dwd.wisconsin.gov; or
 - a. Includes placing completed SOLAR Budgets into "In Review" status

(b) Notify DWD-DET that local negotiations were unsuccessful and request implementation of the SFM (Procedure Step 2).

May 29 – June 20, 2026:

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

June 20 – June 30, 2026:

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

July 1, 2026: 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 DETWIOAGOVERNANCE@dwd.wisconsin.gov. After July 10, 2026, 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 (BWT) is available, as a non-negotiating party, to help facilitate local negotiations and/or provide technical assistance, as needed. Please contact DETWIOAGOVERNANCE@dwd.wisconsin.gov for assistance.

MOU DURATION, AMENDMENTS, AND SOLAR BUDGETS

- DWD-DET has determined that full One-Stop System MOUs can remain in effect for up to three program years. Annual Renewal Amendments will be phased out over the next year.
 - For example, if a board is executing a full MOU for PY26-27, the effective dates of the MOU can be July 1, 2026 – June 30, 2029.
 - 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 and Termination 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.

Signed by:

Danielle Williams

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Danielle Williams

DET Assistant Division Administrator

CC:

Michele Carter, Administrator, Division of Employment and Training

Meredith Dressel, Administrator, Division of Vocational Rehabilitation
Christina Lorge, Associate Vice President – Student Success
Tasha Abdul-Haqq, Director, Bureau of Job Service
Al Garcia, Interim Director, Office of Veteran Employment Services
Stephanie Elmer, Director, Bureau of Workforce Training
Cristina Parente, State Director of Adult Education & Literacy Services
Sean Jackett, WIOA Governance and EO Specialist
Tara Cowe-Spigai, Compliance Assistance Section Chief
DWD-DET Budget Office