CHIEF ELECTED OFFICIALS (CEO'S) AGREEMENT FOR GUAYNABO-TOA BAJA LOCAL WORKFORCE DEVELOPMENT AREA

The Board of Mayors of the Municipalities of Guaynabo, Cataño, Toa Alta, and Toa Baja, hereinafter collectively referred to as Chief Elected Officials (CEOs), enter into this Agreement. Its purpose is to describe how CEOs will organize themselves and act to fulfill their responsibilities for Public Law No. 113-128 of July 22, 2014 (128 STAT. 1425) "Workforce Innovation and Opportunity Act" (WIOA), for services provided in the Guaynabo-Toa Baja Local Workforce Development Area as designated by the Governor under WIOA and services in agreement with the Local Workforce Development Board (LWDB).

A. GENERAL PROVISIONS

1. The name of the inter-municipal consortium Guaynabo-Toa Baja, which under WIOA shall be Guaynabo-Toa Baja Local Workforce Development Area (LWDA).
2. This Agreement reflects the unanimous decisions of all four municipalities CEOs holding office at the time of signing, according to law Act 107-2020, known as the Puerto Rico Municipal Code ("Municipal Code").
3. It is agreed that CEOs decisions required under this Agreement shall be made in a democratic manner and that each CEO shall have an equal vote in all deliberations. A simple majority vote shall be required to approve or deny any action required to fulfill the CEO's responsibilities covered by this Agreement.
4. This Agreement may be amended or modified at any time by the affirmative vote of three (3) of the four (4) CEOs holding office at the time of modification.

B. CEO'S CHAIR DESIGNATION AND ORGANIZATION

1. Each CEO signing this Agreement shall assume the roles and responsibilities assigned collectively to the CEOs under WIOA.
2. The CEOs shall select from among their members a Chair and Vice-Chair. The CEOs shall select for Chair a Mayor of a Municipality that: (a) reflects successful performance in single audits; and, (b) sustained fiscal integrity and balanced budget for rapid response in case of disallowed costs.
3. These two (2) members have signatory authority for CEOs as may be required to provide for the continuous provision of WIOA services in the Local Area. The Chair and Vice-Chair shall be elected immediately upon the approval of this Agreement and shall serve for a term of duration of the WIOA funds that led to the agreement. An election of the Chair and Vice-Chair shall be held thereafter

only in the case that the fiscal integrity of the presiding grantee has been questioned as a result of a single audit, state or federal monitoring finding, and that an audit resolution process according to WIOA statutes has sustained such finding.

4. The Chair shall preside each meeting of the Board. The Vice-Chair shall preside a meeting in the absence of the Chair, or at other times when the Chair is unable to fulfill the duties and responsibilities of his position. Should the Chair resign prior to the completion of the term as Chair, or be unable to conduct the duties of Chair, the Vice-Chair shall assume the position of Acting Chair until a new election takes place.
5. The Chair shall provide an agenda prior to each meeting. Any member may request an item be added to the agenda.
6. The CEOs, shall meet regularly to conduct the business required of them under WIOA. These meetings shall be held every six (6) months.
7. The Chair will summon for meetings. Three members or more shall represent a quorum at meetings.
8. To fulfill their oversight responsibilities under WIOA, the CEOs Board shall receive from its designated Grand Recipient and Fiscal Agent the following information for review prior to each meeting:
    a. Reports and other documents that summarize the current financial conditions of all WIOA grants awarded, including income, expenditures, fund balances, comparison to approved budget and other financial metrics the CEOs may identify in conjunction with the execution of their responsibilities under this Agreement.
    b. Reports and other documents that summarize current program performance in the local area, against the negotiated performance standards required under WIOA, including whether the local area is meeting, exceeding, or failing to meet each performance standard.
    c. Reports and other documents that summarize known compliance issues or concerns along with an explanation of any out-of-compliance notices received for any program for which the CEOs retain ultimate financial liability.
9. Should any member of the CEOs Board have a conflict of interest pertaining to any issue coming before the Consortium, or if there is an appearance of a conflict of interest, that member shall declare any such conflict prior to any discussion on the issue and shall refrain from voting on said issue.
10. It is the intent of all CEOs that WIOA services be provided to all municipalities

within this consortium on an equitable and fair basis, considering the total funds available and the proportional need for services of each municipality.

C. APPOINTMENTS TO THE LOCAL WORKFORCE DEVELOPMENT BOARD

The CEOs have the exclusive responsibility to appoint members to the Guaynabo -Toa Baja LWDB, from individuals recommended or nominated by each class of membership.

1. The CEOs shall ensure that private sector LWDB members are nominated timely to expedite the approval of these nominees by the State.
2. The CEOs shall always nominate members to ensure that a majority of LWDB membership (minimum 51%) are business representatives, which represent business owners, chief executive officers, and other executives with optimum policymaking or hiring authority. At least two (2) of the business representatives must represent small businesses as defined by the Small Business Administration. CEOs shall seek business nominations from local business organizations and trade associations.
3. The CEOs shall nominate members to ensure that at all times not less than twenty percent (20%) of the LWDB members are workforce representatives who represent labor organizations, joint labor-management or union-affiliated registered apprenticeship programs, community-based organizations that have demonstrated experience and expertise addressing the employment, training or education needs of individuals with barriers to employment. Also, representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, and education needs of eligible youth, including out-of-school youth.
4. Each CEO is responsible for appointing private sector members from the CEO's municipality, in the following proportion: Guaynabo four (4) members; Toa Baja three (3) members; Toa Alta one (1) member and Cataño one (1) member. These members must reside or work within the county of appointment, if available. In case of no availability for the specific municipality, members must be from other municipalities of the Local Area.
5. The CEOs will determine if any additional members shall be appointed beyond those minimally required by WIOA or the State. If any such appointments are made, the fifty-one percent (51%) business representative membership and twenty percent (20%) labor representative membership requirement shall be maintained.
6. The CEOs shall agree on the public sector appointments to the LWDB. These appointments shall be made to assure geographical balance throughout the Local

Area.

7. Appointments shall be for three (3) year terms, with one-third of the membership to be appointed every two (2) years. The appointments must be staggered so that not all appointments finish at the same time.
8. Members may continue to serve on the LWDB until:
    a. Their term of office expires; however, the member may continue to serve until the replacement nominees' required documents are approved and confirmed in writing by the CEOs or the State.
    b. The classification under which they were appointed changes.
    c. The appointing CEO revokes the appointment.
    d. The member becomes incapacitated or otherwise unable to complete their term of office.
    e. The member resigns.
9. Vacancies shall be filled on time and following WIOA requirements and State policies.
10. The CEO's Board shall perform an annual assessment of the LWDB membership and performance to ensure that it is performing adequately and following the direction and guidance CEOs provide.

D. DESIGNATION OF GRANT RECIPIENT/FISCAL AGENT

WIOA requires that the Board of Mayors serve as grant recipients for all WIOA Title I funds and enter into a grant relationship with the State. Under a unanimous decision, CEOs must designate a fiscal agent to administer the funds and fulfill the role of the grant recipient. Notwithstanding the designation of a grant recipient and fiscal agent, all CEOs remain liable for the integrity of the funds, any misused funds, and expenditures that are determined unallowable under WIOA.

Following the dispositions of WIOA and its federal regulations, the CEO'S Board is in agreement with the Guaynabo -Toa Baja LWDB:

1. Designates the Autonomous Municipality of Guaynabo to fulfill the role of grant recipient/fiscal agent. This designation shall remain in force until the said agreement is in place or changed by a majority of vote.
2. Expect the Autonomous Municipality of Guaynabo to comply with all federal and state rules and regulations pertaining to the responsibilities of grant recipient/fiscal agent as defined under WIOA, federal regulations, and State policies.

3. Expect the Autonomous Municipality of Guaynabo to assume primary liability for any disallowed costs associated with the provision of fiscal agent services and shall be held liable for any disallowed costs by the CEO's Board.

4. Recognize that, notwithstanding, the designation of a grant recipient and fiscal agent, all CEOs remain liable for the integrity of the funds, any misused funds and for expenditures that are determined unallowable under WIOA. In the event, WIOA expenditures are disallowed and CEOs are unsuccessful at obtaining repayment from the Autonomous Municipality of Guaynabo, each municipality shall be responsible for a portion of any such liability. The apportionment will be divided as follows: Guaynabo 40%; Toa Baja 35%; Toa Alta 15% and Cataño 10%. Required payment of disallowed costs must be made from non- federal fund sources.

E. CEO's BOARD PARTNERSHIP WITH THE LOCAL WORKFORCE DEVELOPMENT BOARD

1. The CEOs and LWDB shall develop and submit a local plan to the Governor that meets the WIOA requirements and WIOA Section 107(d)(1). The completed local plan shall be subject to the approval of both, as agreed in their assembly meetings, before submittal to the Governor. The local plan must be consistent with the state plan.

2. The LWDB shall collaborate with other Local Boards and CEO's, designated as an Economic Development Region in the preparation and submission of a regional plan as described in Section 106(c)(2) of WIOA. The regional plan must be consistent with the state plan.

3. In partnership with the LWDB, the CEOs shall conduct oversight for local youth workforce investment activities authorized under Section 129(c) of WIOA, local employment and training activities authorized under Section 134 (c) and (d), and the one-stop delivery system in the local area. Oversight must ensure the appropriate use and management of the funds provided under subtitle I-B for the activities and system and workforce development activities. Oversight must also ensure the appropriate use, management, and investment of funds to maximize performance outcomes under Section 116 of WIOA. Results shall be reported to the CEOs and LWDB and shall be reviewed and approved at scheduled meetings.

4. The LWDB, with the agreement of the CEO's for the local area, shall designate or certify one-stop operators through a competitive process and may terminate for cause the eligibility of such operators.

5. The LWDB shall develop a budget subject to the approval of the CEOs as required in Section 107(d)(12)(A) of WIOA. The LWDB, with the assistance of the grant

recipient/fiscal agent, shall develop a budget consistent with the local plan for its activities and submit the budget to the CEOs for their approval. The grant recipient/fiscal agent must distribute grant funds as approved in the Local Plan, assuring that the disbursement does not violate WIOA or any other applicable law.

6. Section 121(b)(2) allows the LWDB and CEO's, to approve additional partners that carry out workforce development programs consistent with that described in WIOA for participation in the one-stop delivery system.
7. The LWDB, in agreement with the CEOs, shall develop and enter into a Memorandum of Understanding (MOU) concerning the operation of the one-stop delivery system in the local area with the One-Stop Partners as described under Section 121.

F. CEO's BOARD AGREEMENT AND CONSULTATION WITH THE GOVERNOR AND, AS NECESSARY, THE LOCAL WORKFORCE DEVELOPMENT BOARD

1. The LWDB, the CEOs, and the Governor shall negotiate and reach an agreement on local performance accountability measures as described in Section 116(c).
2. In agreement with the Governor, the CEOs may allow the LWDB or staff to provide career services or be certified or designated as a One-Stop Operator.
3. The CEOs may request a waiver from the Governor to allow the LWDB or staff to the local boards to be able to provide training services.
4. The CEOs will consult with the Governor in the development of a reorganization plan, following the decertification of the LWDB for fraud, abuse, failure to carry out functions, or non-performance.
5. The CEOs and the LWDB will work with State Board to facilitate the State's provision of statewide rapid response activities.
6. The Governor, in coordination with the LWDB and the CEOs State, shall establish and operate a fiscal and management accountability information system based on guidelines established by the Secretary after consultation with the Governor, CEOs and the one-stop partners (such guidelines shall promote efficient collection and use of fiscal and management information for reports and monitoring the use of funds made available and for preparing the annual reports).
7. The CEOs will consult with the Secretary of Department of Economic Development or Governor regarding any federal or state- funded activity in the local area.

G. RELATED AGREEMENTS

1. The CEOs and LWDB must enter into additional written agreements when a

single entity performs multiple functions in a local area. These functions include: local fiscal agent, local board staff, one-stop operator, or direct provider of career services or training services.

a. The written agreement will serve to limit conflict of interest or the appearance of conflict of interest, minimize fiscal risk, and develop appropriate firewalls within a single entity performing multiple functions.

b. The agreement must clarify how the organization will carry out its responsibilities while demonstrating compliance with WIOA and corresponding regulations.

H. AMENDMENT

This Agreement may be amended only upon compliance with the following procedure:

1. The text of the proposed amendment shall be presented to all members of the CEO's Board for review at a properly noticed meeting thereof, and shall thereafter be provided to each Local Government, at least thirty (30) days before the meeting of the CEOs, at which the amendment is to be acted upon;
2. The amendment shall be discussed and acted upon at a properly-noticed meeting of the CEO's Board, with approval requiring the vote in person or by written ballot of no fewer than two-thirds (2/3) of the then-current CEO's Board membership. No such amendment shall be approved if, before the CEO's Board meeting at which action is to be taken, any Local Government submits to the CEO's Board a written objection to the proposed amendment.

I. CONFLICT OF INTEREST

1. No member of the CEO's Board for Guaynabo-Toa Baja LWDA shall cast a vote on any matter which has direct bearing on services to be provided by that member (or any organization which such member directly represents) or on any matter which would provide direct financial benefit to such member or the immediate family of such member, nor shall any such person engage in any activity determined by the Governor to constitute conflict of interest as specified in the state plan.
2. CEO member(s) and/or staff so affected shall identify any real or perceived conflict of interest before discussion and consideration of the matter. The minutes of the meeting shall document compliance with the conflict-of-interest requirements.

J. TERM OF AGREEMENT

The term of this agreement shall commence on the date of signature and shall terminate on June 30, 2028, or upon the termination of the WIOA, dissolution of the LWDB, or future action taken by the CEOs to establish a new agreement.

By signing this Agreement, all CEOs understand that this document supersedes all prior written or oral agreements relating to the responsibilities of the CEO's Board for Guaynabo-Toa Baja LWDA.

K. SIGNATURES

Hon. Edward O'Neill Rosa, Chair Autonomous Municipality of Guaynabo	June 24, 2024 Date
Hon. Bernardo "Betito" Márquez García, Vice-Chair Autonomous Municipality of Toa Baja	June 24, 2024 Date
Hon. Clemente Agosto Lugardo, Member Autonomous Municipality of Toa Alta	June 24, 2024 Date
Hon. Julio Alicea Vasallo, Member Autonomous Municipality of Cataño	June 24, 2024 Date