# Workforce Innovation and Opportunity Act Frequently Asked Questions July 22, 2014

The following Frequently Asked Questions are drafted in the context of the Workforce Innovation and Opportunity Act (WIOA) programs that are administered by the Department of Labor (DOL).

## **GENERAL QUESTIONS**

### Q. What programs are authorized by WIOA?

WOIA authorizes key employment and training programs and the American Job Center (referred to as One-Stop Center in the law) service delivery system to help workers acquire the tools and skills they need to be successful and to connect employers to the skilled workers they need. WIOA aligns the "core" programs to provide coordinated, comprehensive services. The core programs are: (1) Adult, Dislocated Worker and Youth formula programs administered by DOL; (2) the Adult Education and Literacy programs administered by the Department of Education (ED); (3) Wagner-Peyser Employment Service program administered by DOL; and (4) and the programs under title I of the Rehabilitation Act that provide services to individuals with disabilities administered by the ED. Other programs administered by DOL that are authorized under title I of WIOA include: Job Corps, YouthBuild, Indian and Native American programs, Migrant and Seasonal Farmworker programs, and evaluation and multistate projects.

## Q. What are key features of the WIOA?

WIOA makes a number of improvements to the public workforce system and its delivery of services to jobseekers, workers, and employers. Among the key features of WIOA are:

- Ensuring that federal core program employment and training services are coordinated and complementary by requiring a single, 4-year Strategic State Plan for achieving the workforce goals of the State;
- Ensuring that federal investments in employment and training programs are evidencebased, data-driven, and accountable to participants and taxpayers by establishing a common performance accountability system for the core programs and requiring other authorized programs to report on the common performance indicators;
- Streamlining and strengthening the strategic roles of State and local workforce boards by reducing board size and adding functions that include strategies for meeting the needs of jobseekers and employers;
- Enhancing services provided to job seekers and employers through the American Job Center system by requiring the co-location of Wagner-Peyser Employment Services; adding the Temporary Assistance for Needy Families as a required partner; providing for State-established certification to facilitate high-quality American Job Centers; requiring partners to dedicate funding for infrastructure and other shared costs; and promoting the development of integrated intake, case management and reporting systems;

- Fostering regional collaboration by having local areas plan and coordinate service delivery within a region;
- Emphasizing the use of career pathways and sector partnerships to promote employment in in-demand industries and occupations;
- Promoting work-based training by authorizing local areas to provide incumbent worker training and transitional jobs, increasing the reimbursement to employers for on-the-job-training and customized training and by increasing linkages with Registered Apprentices;
- Increasing flexibility by authorizing local areas to transfer up to 100 percent funding between Adult and Dislocated Worker; and
- Refocusing the youth formula program to serve disconnected youth by requiring a minimum of 75 percent of funds are used for out-of-school youth compared to 30 percent under WIA.

# **Q.** How can I stay abreast of information regarding WIOA implementation, technical assistance, and stakeholder engagement?

Information on WIOA implementation, including links to guidance, technical assistance events and tools, and opportunities to provide stakeholder input will be posted on ETA's WIOA Resource Page at <u>www.doleta.gov/WIOA</u>. The WIOA Resource Page will be updated with new tools and resources, including responses to frequently asked questions, as they become available.

Questions regarding WIOA implementation should be submitted to <u>DOL.WIOA@dol.gov</u> or directed to your ETA Regional Office. Additionally, official ETA guidance on WIOA will be posted on ETA's advisory Web site, <u>http://wdr.doleta.gov/directives</u>.

## Q. How does WIOA streamline programs and services?

WIOA streamlines programs and improves services to job seekers and employers in several ways including establishing a single State Unified Strategic Plan and a common performance accountability system for the core programs. The Act also applies common performance measures to other workforce programs authorized under the Act. The Act streamlines State and local boards by reducing their size while expanding their responsibilities to include the alignment of workforce development programs to maximize the effective use of program resources. The Act also streamlines services by merging the current WIA core and intensive services into a single new category of career services; this clarifies that no "sequence of service" is required before enrollment in training and makes more comprehensive services readily available.

# **Q.** How does WIOA align with the Vice President's review of federal job training programs?

The Vice President's review of federal job training programs highlights several key elements that characterize job-driven programs and best practices to make our national training and skills investments more job-driven. WIOA also includes these key elements. The Vice President's report and WIOA complement one another and both advance the goals of preparing workers for 21<sup>st</sup> century jobs and ensuring American businesses will have skilled workers to be competitive in our global economy.

## **IMPLEMENTATION**

### **Q.** When will WIOA take effect?

The majority of WIOA provisions will become effective on July 1, 2015, the first full program year after enactment. However, the Act includes several provisions that become effective on other dates. For example, the WIA State and local plans remain in effect for PY 2015 and the new State Unified Strategic Plan is to be submitted for PY 2016, which begins July 1, 2016. In addition, the WIA performance accountability section remains in effect for PY 2015, with the new WIOA performance accountability provisions taking effect at the beginning PY 2016. ETA has posted the key statutorily required implementation dates on ETA's WIOA Resource Page at www.doleta.gov/WIOA.

# **Q.** How will ETA handle pending or new requests for such things as plan modifications or waivers before WIOA takes effect?

Regular WIA business matters such as State Plan modifications, reviewing and processing waiver requests, and monitoring visits in accordance with existing WIA provisions and established procedures until further guidance or notice is issued.

# Q. What kind of support will the Department provide to help states and local areas transition to WIOA?

The Department plans to provide a broad range of guidance and training and technical assistance to help states and local areas successfully transition to WIOA. Information on upcoming technical assistance and training opportunities, tools and resources, and opportunities for stakeholder input will be made available on the WIOA Resource Page (<u>www.doleta.gov/WIOA</u>). The WIOA Resource Page will be updated with new tools and resources, including responses to frequently asked questions.

The Act authorizes the States, grant recipients, administrative entities and other recipients of financial assistance under WIA to spend funds received under WIA to plan and implement programs and activities under the WIOA. States can spend no more than 2 percent of any state allotment for FY 2014 for transition activities, and of that amount, not less than 50 percent is to be made available to local entities for those activities. The Department anticipates issuing further guidance on the use of FY 2014 funds for this purpose shortly.

# **Q.** Will there an opportunity for States to be early implementers of the new WIOA State Unified Plans?

Yes. ETA will develop a process and guidance for States that choose to voluntarily submit and implement the WIOA State Unified Plans before the statutory effective date of July 1, 2016.

### Q. How can I provide input into the WIOA implementation process?

Stakeholder input is absolutely critical to the successful implementation of WIOA. ETA, in coordination with its Federal partner agencies, intends to engage stakeholders and gather feedback at various points throughout the transition to WIOA. We will notify stakeholders across the workforce system about opportunities for engagement in the coming months; opportunities may include audio or online listening sessions with ETA leadership, interactive webinar presentations, or Town Hall sessions. Stakeholders also can submit questions, concerns, or ideas to <u>DOL.WIOA@dol.gov</u>, a dedicated email box for WIOA implementation. In addition, stakeholders will be invited to respond to Federal Register Notices (FRN) as draft regulations and proposed data collections are published for public comment.

# Q. How does WIOA impact national grant programs such as the Indian and Native American program, the Migrant and Seasonal Farmworker program, and YouthBuild?

WIOA continues to authorize the national competitive grant programs that were authorized under WIA (the Indian and Native American program, the National Farmworker Jobs program, and YouthBuild). Changes have been made to these programs to ensure that jobseekers acquire the skills needed for in-demand jobs and are aligned with the core programs. For instance, YouthBuild is amended to specifically authorize activities in in-demand industries and occupations in addition to construction, to incorporate the common performance measures, and to make changes to the percentages of funds used for supervision and training and administration. The Indian and Native American program and the National Farmworker Jobs program are amended to extend the grant periods from two to four years, apply the common performance accountability measures, and authorize additional activities. These national programs would continue to be required partners in American Job Centers (also known as One-Stop Career Centers) although their representation on local workforce investment boards is no longer required.

The impact of WIOA on the Job Corps program is discussed in a separate section of this document.

## Q. When do Board changes take effect?

Like most of the other provisions in the Act, the State and Local Workforce Development Board requirements take effect July 1, 2015, the first full program year after enactment. WIOA retains a grandfathering provision for those State Boards that were in effect before the enactment of WIA and a grandfathering provision for Local Boards. The Department will continue to analyze changes to the State and Local boards and will issue additional guidance as appropriate.

# Q. What is the "common one-stop delivery system identifier" to be developed by the Secretary? Is that identifier going to be "American Job Center"?

A common identifier will help job seekers and employers readily access services. The Department will consult with state and local boards and stakeholders experiences with various identifiers, including the American Job Center, before finalizing the system identifier and how it

should be included in state and local materials. WIOA allows states, local areas, and other partners to have additional identifiers as well. After consultations, the Department will issue guidance and technical assistance on identifier implementation.

## **IMPROVING SERVICES TO JOB SEEKERS AND EMPLOYERS**

## Q. How does WIOA change the youth formula program?

WIOA requires the youth formula program spend at least 75 percent of funds on out-of-school youth, compared to 30 percent under WIA. The Act also changes youth eligibility requirements by establishing separate criteria for out-of-school and in-school youth, including removing income eligibility requirements for most out-of-school youth and raising the eligible age for such youth to 16 through 24. In-school youth age eligibility continue to be ages 14-21, as in WIA. WIOA places a new priority on work-based learning by providing that at least 20 percent of local youth formula funds be used for work experiences such as summer jobs, pre-apprenticeship training, on-the-job training and internships that have academic and occupational education as a component. WIOA also links services to the attainment of secondary school diplomas, entry into postsecondary education and career readiness, and to the attainment of postsecondary credentials aligned with in-demand industry sectors or occupations. Additional allowable activities include financial literacy education and entrepreneurial skills training.

## Q. How does WIOA improve services to unemployment insurance (UI) claimants?

WIOA increases connections between the job training and employment services and the UI system. UI claimants will benefit from the enhanced services, including the labor exchange services and career counseling that are included as career services under title I, and activities that assist workers in identifying and obtaining jobs in in-demand industries and occupations. WIOA amends Wagner-Peyser Employment Services to include as allowable activities eligibility assessments of UI claimants and the provision of referrals to and application assistance for an array of training and education programs and resources. Co-locating Employment Services in American Job Centers also will result in UI claimants having enhanced access to services.

# **Q.** How does WIOA improve services to individuals with disabilities through American Job Centers?

WIOA makes several significant changes to help individuals with disabilities access services and improve employment outcomes. Both the State and the Local Plans are to describe how the American Job Center delivery system will comply with the nondiscrimination requirements regarding physical and programmatic accessibility of facilities, programs, services, technology and materials, including appropriate staff training and support. The criteria for certifying American Job Centers also includes assessing physical and programmatic accessibility. The Act includes individuals with disabilities in the definition of individuals with barriers to employment, for whom strategies must be identified in State and local plans and performance outcomes identified and reported.

WIOA directs local boards to promote proven practices in programmatic and physical accessibility, develop strategies for using technology to better meet the needs of people with barriers to employment, and annually assess physical and programmatic accessibility. In addition, local boards may designate a standing committee to provide information and assist with operational and other issues related to compliance with non-discrimination and applicable accessibility requirements and appropriate training for staff on providing services for individuals with disabilities.

WIOA also promotes better alignment of the Adult, Dislocated Worker and Youth formula programs with vocational rehabilitation state grant programs carried out under title I of the Rehabilitation Act to help provide comprehensive services to individuals with disabilities. The Act strengthens collaboration of vocational rehabilitation agencies with employers. In addition, WIOA makes important amendments to the employment grant programs under the Rehabilitation Act to emphasize entry into and retention in competitive integrated employment for individuals with disabilities. The Act requires at least 15 percent of the funding to state vocational rehabilitation agencies to provide pre-employment transition services to support youth with disabilities in transition from secondary school to post-secondary school and employment.

At the Federal level, WIOA requires that the Secretary of Labor establish an advisory committee focused on increasing competitive integrated employment for individuals with disabilities.

### Q. How does WIOA strengthen services for employers?

WIOA contains many provisions to strengthen connections with employers to identify the skills employers need, ensure assistance is provided to workers to acquire those skills, and match employers with the skilled workers they need. The State and local workforce development boards that set policies for and oversee workforce development systems are comprised of a majority of business representatives and have business chairs. State and local plans include strategic elements designed to identify the employment needs of employers and to develop strategies for meeting those needs.

At the local level, a critical local board function is leading efforts to engage a diverse range of employers to develop effective linkages with regional employers to support their utilization of and participation in the local workforce system. The local boards are also to enhance communication, coordination, and collaboration among employers, economic development entities and service providers to ensure activities meet the needs of employers and support economic growth in the region. In its plan, local boards are to describe (1) their strategies and services for employer engagement, including small employers and employers in in-demand industry sectors and occupations, in workforce programs; (2) how they will support a local system that meets the needs of local employers; (3) how they will better coordinate workforce development programs and economic development; ; and (4) the implementation of initiatives such as incumbent worker training programs, on-the-job training programs, career pathways initiatives, utilization of effective business intermediaries, and other business services and strategies designed to meet the needs of employers in the corresponding region.

WIOA emphasizes the provision of training that results in the attainment of postsecondary credentials that include industry-recognized certificates or certifications. It strengthens employment-based training by increasing the reimbursement rate to employers for on-the-job training and for customized training. WIOA provides local boards the opportunity to implement incumbent worker training programs using up to 20 percent of their Adult and Dislocated Worker program funds. It promotes the use of sector strategies to form partnerships among key stakeholders in an industry cluster or sector to and encourages them to offer other work-based training and/or carry out industry and sector strategies to identify and address the needs of multiple employers in the industry.

To ensure accountability for services to employers, WIOA directs the Secretary of Labor and the Secretary of Education to establish a new performance measure on the effectiveness of services to employers across the core programs.

# **Q.** How does WIOA strengthen connections with institutions of higher education, including community colleges?

Under WIOA, State Unified Plans must include a description of how community colleges will be engaged as partners in the workforce development system. In addition, each local board includes a representative of institutions of higher education providing workforce investment activities, including community colleges. WIOA also allows local boards to enter into direct contracts with institutions of higher education to provide training services.

## Q. Does WIOA retain veterans' priority of service?

Yes. Priority of service requirements for eligible veterans and spouses continue under WIOA, and DOL is continuing to implement the recent refocus of the Jobs for Veterans State Grants (JVSG) program. DOL is analyzing how WIOA provisions affect the JVSG program and will issue further guidance as needed.

### Q. How does WIOA improve services for veterans and military spouses?

WIOA has several provisions which help support veteran- related services, such as expanding National Dislocated Worker Grants (formerly National Emergency Grants) eligibility to areas that have a higher than average demand for services from dislocated members of the Armed Forces and other eligible individuals. The Act also includes spouses of certain active duty members of the Armed Forces in the definition of dislocated workers and displaced homemakers eligible for assistance under the Dislocated Worker formula program.

#### PROGRAM QUESTIONS

# Q. What are some of the major changes to National Dislocated Worker Grants (formerly National Emergency Grants)?

WIOA provides greater flexibility in the use of National Dislocated Worker Grants. The Act expands disaster relief authority to provide assistance, including disaster relief employment for affected workers, in an emergency or disaster situation of national significance that could result in a potentially large loss of employment, including situations where a Stafford Act declaration has not been issued. WIOA extends eligibility for disaster assistance to self-employed individuals who become unemployed or significantly underemployed as a result of the emergency or disaster. The Act increases the period for which disaster employment may be provided to participants from 6 months under WIA to 12 months under WIOA; and it allows the Secretary, at the request of the State, to extend the period of disaster employment for an additional 12 months. WIOA also expands eligibility to areas to receive grants that have a higher than average demand for services from dislocated members of the Armed Forces and other eligible individuals.

# **Q.** How does WIOA promote collaboration between the public workforce system and Registered Apprenticeship?

Registered Apprenticeship is a proven model for meeting employers' workforce needs while allowing workers to earn while they learn new skills and acquire credentials. Thus, WIOA promotes collaboration between Registered Apprenticeship and Adult, Dislocated Worker and Youth formula programs in several ways. Under WIOA, representatives of Registered Apprenticeship programs are required members of both State and Local boards. Registered Apprenticeship programs with the Department or a State Apprenticeship Agency recognized by the Department are included as eligible training providers for the Adult and Dislocated Worker formula programs as long as they remain registered, and the Registered Apprenticeship completion certificate is recognized as a post-secondary credential. Registered Apprenticeship training is an authorized Youth program activity to help participants meet entrance requirements for Registered Apprenticeship programs. YouthBuild also authorizes pre-apprenticeship training as well as Registered Apprenticeship.

# Q. WIOA does not include Workforce Innovation Fund (WIF); what does that mean for WIF grants?

Current WIF grants are not affected and will continue to operate for the duration of the grants. The Department currently is reviewing applications submitted under a WIF competition that closed June 18, 2014, and anticipates announcing grant awards using FY 2013 fund by September 30, 2014. The Department also has funding available for WIF from FY 2014 appropriations, and anticipates awarding these funds by September 30, 2015.

Innovation to support change and continuous improvement also is a key component of WIOA. Under the Governor's 15 percent funds, WIOA adds a number of allowable statewide activities to support and encourage innovative and evidence-based approaches to workforce development. WIOA also includes provisions to ensure that states and the Department work together to share promising and proven practices; to evaluate and disseminate information regarding such practices; and to identify and commission research to address knowledge gaps. The Department will build on the work of the WIF to support states in their ongoing innovation work.

### Q. Does the Department still have authority to carry out demonstration projects?

Yes. Evidence-based and data-driven strategies are a priority under WIOA. As part of evaluation and research activities, WIOA authorizes the Department to carry out research and multi-state projects, as well as demonstration projects for dislocated workers. WIOA also adds provisions requiring that an independent evaluation of the programs and activities under title I be carried out at least once every four years and that at least one multistate control group evaluation of such programs and activities be conducted by the end of FY 2019.

## Q. How will the WIA Gold Standard findings help support WIOA implementation?

Many aspects of WIOA were informed by research and evaluations conducted previously under WIA. The WIA Gold Standard Evaluation is expected in 2017 and will not provide impact findings in time for WIOA implementation. However, the Department anticipates publishing a series of briefing papers on WIA during calendar year 2014 that will help it better understand how WIA is working and where changes in policy or practice may be needed to strengthen WIOA. Subsequent findings under the WIA Gold Standard evaluation will be used to inform future system guidance and workforce strategies under WIOA.

## JOB CORPS PROGRAM

### Q. How does WIOA impact the Job Corps program?

WIOA aligns the Job Corps with the core programs by requiring Job Corps to report on the common performance indicators. Job Corps is tasked directly with providing opportunities that will lead to successful careers resulting in economic self-sufficiency and prospects for advancement, or enrollment in postsecondary education, including apprenticeship programs, as well as with supporting responsible citizenship. There is greater emphasis placed on the establishment of community networks with employers, labor organizations, and State and local boards in order to make Job Corps more effective. WIOA requires the Department to collect more data on Job Corps operations and financial management to better inform Congress and the public on the program.

### Q. How does Job Corps center operator selection change?

WIOA uses competition to increase the performance and quality of Job Corps. WIOA adds to the current list of considerations in selecting a Job Corps operator the ability of an entity to offer career and technical education that has been proposed by the workforce council advising the center, the effectiveness of an entity in achieving the primary indicators of performance applicable to Job Corps, and information contained in reports issued by the Department's Inspector General. In addition, the Act includes a provision identifying additional selection factors that must be included in a contract proposal submitted by an entity to operate a center; it provides that entities that operate high performing centers may compete in any competitive selection process to operate that center, which would include contracts otherwise set aside only for small businesses. WIOA also specifies the length of the contractual agreements for operating the centers and the conditions under which they may be renewed.

## Q. What are new performance reporting requirements for Job Corps?

WIOA aligns Job Corps with the core programs by requiring Job Corps to report on the common performance indicators applicable to the youth formula program. Additionally, the Secretary's required annual report to the Congress on the performance of Job Corps centers and programs now will include information on the performance of the recruiters and career transition service providers.

## Q. What are the new oversight requirements for Job Corps?

Under WIOA, the Secretary must submit a financial report regarding Job Corps to Congress every six months beginning on the date of enactment for a three year period and then annually for the next two years. Furthermore, should Job Corps identify any budgetary shortfall, the Secretary must submit a report within 90 days explaining how the shortfall will be addressed, and submit a report every six months after the shortfall until it has been eliminated. The Secretary is also required to provide for a third party evaluation of the Job Corps program every five years.

## FINANCIAL ADMINISTRATION AND PERFORMANCE

## Q. How will WIOA affect my funding levels?

WIOA authorizes appropriations for each of Fiscal Years 2015 - 2020. The levels increase a total of 17 percent over that time period. However, the amounts authorized in the Act remain subject to the annual Congressional appropriations process. Congress currently is considering the President's FY 2015 budget request.

# Q. Are there changes to the formulas for the Adult, Dislocated Worker, and Youth programs?

There are no changes to the Adult and Youth formulas. However, beginning in FY 2016 WIOA provides that under the Dislocated Worker formula allotments to states, no state is to receive an allotment less than 90 percent or greater than 130 percent of the allotment percentage for the preceding year. Similarly with respect to within-state formula allocations, no local area is to receive less than 90 percent or more than 130 percent of the average allocation percentage of the local area for the two preceding years. The Adult and Youth formula programs had these minimum and maximum percentages under WIA, but the dislocated worker program did not.

### Q. Is there any effect on recapture and reallotment processes for states and local areas?

No, WIOA maintains the WIA recapture and reallotment process.

### Q. How does WIOA strengthen performance accountability and transparency?

WIOA ensures that Federal investments in employment and training programs are accountable to job seekers, employers, customers, and tax payers. WIOA establishes common performance measures across the four core programs and also requires other programs authorized by the Act to report on the same indicators. In addition, WIOA requires the establishment of primary indicators on credential attainment and skills gain and on the effectiveness of services to employers. The Secretaries of Labor and Education are to develop a statistical adjustment model that will be used take into account the economic conditions and the characteristics of participants served in negotiating and determining the levels of performance applicable to the primary indicators. WIOA also requires states, localities, and eligible training providers to publish performance data using common templates developed by the Secretary of Labor and the Secretary of Education.

### Q. Do states and locals have to collect new performance information?

By and large, DOL's Employment and Training Administration's grantees already collect most of the performance data required by WIOA. However, the primary indicators of performance specify outcomes with respect to quarters after exit that are different from WIA. There are also some additional data elements that will be required such as credentials attainment, measurable skills gain, training-related costs and information regarding employer engagement. The Department will be issuing guidance and technical assistance related to these new elements.

## **GOVERNANCE**

## Q. What is the impact of WIOA on State Workforce Development Boards?

WIOA reduces the size of State workforce development boards and provides them additional responsibilities to help achieve State strategic workforce vision and goals. The state board has a business chair and the majority of members are business representatives. At least 20 percent of the board membership must include workforce representatives, who must include representatives nominated by labor organizations and a representative of an apprenticeship program and may include community-based organizations. The balance includes representatives of agencies responsible for administering the core programs and other appropriate government representatives, including local officials. Examples of state boards' new functions include leading efforts to engage employers; developing career pathways, promoting proven and promising practices, and more effectively utilizing technology.

The Act retains a grandfathering provision for State boards that were in effect before the enactment of WIA. Provisions are included to specifically authorize the hiring of a director and staff and to require the State board to establish and apply a set of objective qualifications to ensure the director has the requisite knowledge, skills and abilities. The director and staff are

also subject to salary limitations described in a section of general provisions (similar to a current provision that has been included in DOL appropriations acts).

## Q. What is the impact of WIOA on local Workforce Development Boards?

WIOA retains a business chair and business majority membership for local boards. Twenty percent of the membership is representatives of the workforce (including labor organizations and representatives of apprenticeship programs). The balance of the membership includes representatives of organizations administering education and training (a representative of Adult Education and of institutions of higher education); and representatives of governmental and economic and community development organizations serving the local area. WIOA reduces the size of the local board primarily by eliminating the requirement in WIA that all One-Stop programs be represented and instead only requires representatives of core programs. The Act also eliminates the WIA requirement that the local board establish a youth council. However, the bill authorizes, at the discretion of the local board, the establishment of three standing committees to advise the board on One-Stop partner issues, youth services, and services to individuals with disabilities, respectively, and also authorizes the establishment of additional standing committees. The additional functions of local boards include: focusing on employer engagement; strengthening connections among the core programs; disseminating of proven and promising practices; and promoting more effective use of technology.

WIOA also contains provisions explicitly authorizing local boards to solicit grants and donations from non-Federal sources and to operate as tax exempt organizations. In addition, the WIOA includes a grandfathering provision for local boards.

# Q. What role do locally elected officials have under WIOA?

Locally elected officials continue to have a key role in contributing to the strategic planning and structure of workforce services. Under WIOA, the local elected officials have the authority to request local area designation (which must be granted if the local area has previously performed successfully and sustained fiscal integrity), appoint the members of the newly constituted local boards, and serve as or designate the local grant recipient.