



# Maryland

GOVERNOR'S WORKFORCE  
DEVELOPMENT BOARD



## Chief Local Elected Official (CLEO) Agreement Guidance

Governor's Workforce Development Board  
Guidance Issuance 2025-01  
December 2025

# Guidance Issuance 2025-01

**TO:** Local Workforce Development Boards  
Maryland Department of Labor

**FROM:** Governor's Workforce Development Board

**DATE:** December 10, 2025

**SUBJECT:** Maryland Chief Local Elected Official (CLEO) Agreement Guidance

**PURPOSE:** This guidance establishes the roles, responsibilities, and collaborative governance structure between Chief Local Elected Officials (CLEOs) and Local Workforce Development Boards (LWDBs) in Maryland, in accordance with the Workforce Innovation and Opportunity Act (WIOA). It outlines the required elements of the CLEO Agreement to ensure local accountability, fiscal integrity, and shared decision-making over workforce development activities. The Governor's Workforce Development Board (GWDB) provides this guidance to support compliance, promote transparent governance, and strengthen local partnerships in advancing Maryland's workforce priorities.

This new agreement guidance outlines the collaboration and governance structure for the local workforce area.

**ACTION:** Applicable staff at the Governor's Workforce Development Board (GWDB), Local Workforce Development Boards (LWDBs), and Chief Local Elected Officials (CLEOs) will ensure awareness of this guidance and take necessary actions to establish, review, and execute CLEO Agreements that align with WIOA requirements, define governance roles, designate fiscal agents, and ensure accountability for workforce funds and outcomes..

**EFFECTIVE:** December 10, 2025

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# Executive Summary

## MARYLAND CLEO AGREEMENT GUIDANCE

### Overview

The Governor's Workforce Development Board (GWDB) is issuing new guidance to formalize the relationship between Chief Local Elected Officials (CLEOs) and Local Workforce Development Boards (LWDBs). This guidance provides a standardized framework—and a required Agreement template—to ensure that local governance structures are transparent, compliant with WIOA, and legally sound regarding fiscal liability.

**This is a new guidance issuance establishing the collaboration and governance structure for local workforce areas.**

### Policy Purpose

Under WIOA, the chief local elected official is the grant recipient and holds significant liability. This guidance clarifies "who does what," preventing ambiguity regarding decision-making authority, fiscal oversight, and the appointment of board members. It ensures that every local area has a signed, up-to-date agreement that protects both the county/jurisdiction and the workforce board.

### Governance Structure & Liability

#### 1. The CLEO's Role (Grant Recipient)

The CLEO (e.g., County Executive, Commissioner) is the Grant Recipient for WIOA Title I funds.

- **Liability:** The CLEO retains ultimate liability for the misuse of funds. This liability cannot be delegated, even if a fiscal agent is hired.
- **Appointments:** The CLEO is responsible for appointing members to the LWDB in accordance with state policy.
- **Oversight:** The CLEO must approve the Local Plan and the LWDB budget.

#### 2. Multi-Jurisdictional Areas

For workforce areas covering multiple counties:

- **Joint Liability:** All CLEOs in the region are jointly and severally liable for funds.
- **Lead CLEO:** Officials may designate a "Lead CLEO" to act as the primary contact for the State, but this does not absolve others of their governance duties or liability.
- **Consensus:** Decisions on board appointments and budgets generally require collective approval.

#### 3. The Fiscal Agent

The CLEO may designate a Fiscal Agent (e.g., a county finance department, a nonprofit, or the LWDB itself) to handle day-to-day accounting and reporting.

- Function: Manages funds, pays bills, and submits financial reports.
- Constraint: Designation of a fiscal agent does not relieve the CLEO of liability for disallowed costs.

## **Key Agreement Requirements**

The guidance includes an Agreement Template that Local Boards and CLEOs can execute. This agreement must cover:

- Duration: Effective for a period of no more than two years.
- Firewalls: Explicit standards of conduct to prevent conflicts of interest, especially if the LWDB also acts as a service provider.
- Dispute Resolution: A defined process for resolving disagreements between the CLEO and the LWDB, including mediation and escalation to the GWDB if necessary.

## **Strategic Impact**

Approval of this guidance protects the fiscal integrity of Maryland's workforce system. It ensures that elected officials fully understand their financial liabilities and governance responsibilities before signing on. By mandating a clear, written agreement, the GWDB reduces the risk of local governance disputes and ensures that federal funds are managed with proper oversight.

# Guidance Template on Maryland's Chief Local Elected Officials Agreement under WIOA

## ADVANCING WORKFORCE LEADERSHIP THROUGH COLLABORATION AND GOVERNANCE

This Agreement template is provided as guidance and may be adapted to reflect local governance structures and multi-county arrangements while maintaining core WIOA requirements. CLEOs and LWDBs shall share joint responsibility for fiscal and programmatic oversight, and any agreements must comply with 20 CFR 679.310, 679.430, and 683.710.

### CHIEF LOCAL ELECTED OFFICIALS AGREEMENT TEMPLATE

Between the:

**[INSERT COUNTY NAME]** CHIEF LOCAL ELECTED OFFICIAL

And the

**[INSERT COUNTY NAME]** WORKFORCE DEVELOPMENT BOARD

#### Purpose of Agreement

The **[Insert Title of Chief Local Elected Official]** as the **[Insert County Name]** is the Chief Local Elected Official (CLEO), acting on the authority for **[Insert County Name]**, enters into this Agreement with the **[Insert County Name]** Workforce Development Board (LWDB) in accordance with the Workforce Innovation and Opportunity Act (WIOA) Section 107(c)(1)(b). This agreement outlines the collaboration and governance structure for the local workforce area for a period of no more than two (2) years, effective beginning **[July 1, 20XX]** and ending on **[June 30, 20xx]**.

WIOA requires local governments to establish an LWDB to oversee workforce development activities within the designated workforce area. The Parties recognize the importance of a collaborative approach to address workforce development needs, align with the Unified or Combined State Plan, and comply with federal and state regulations governing WIOA.

[Insert CLEO Position Title] is the designated grant recipient for the [Insert County Name], which acts on behalf of the **unit(s) of general local government that comprise the [Insert Local Workforce Development Area Name]** under WIOA. For purposes of this Agreement, [Insert County Name] also serves as the fiscal agent on behalf of the Local Workforce Development Board (LWDB).

The **[Insert County Name]** CLEO shall sign the CLEO agreement on behalf of the County. As the administrative entity, **[Insert County Name]** shall have the following responsibilities:

- a. Prepare and modify the LWDB's grant applications and budget; receive, and report on the LWDB's funds;
- b. Function as the point of contact with state officials regarding local workforce area operations;
- c. Designate appropriate Title I staff to fulfill the responsibilities of the administrative entity;
- d. Consolidate, review, and submit financial and programmatic reporting to the **[Insert State Workforce Agency Name]**;
- e. Support the goals and objectives as defined in the **[Insert Local Workforce Development Area Name]** Local Workforce Plan ("Plan"). The **[Insert Local Governing Body Name]** shall review and approve the plans of services under WIOA;
- f. Foster common strategies for addressing challenge areas as defined in the Plan; and
- g. Support the development of this Agreement to provide workforce services in response to the needs of businesses and job seekers.

In consideration of the mutual promises and covenants set forth herein, the Parties agree as follows:

## **Governance Structure**

### **Single Chief Local Elected Officials in a Local Workforce Area**

In single-county local workforce development areas, the CLEO serves as the designated grant recipient in accordance with WIOA Sec. 107(d)(12)(B)(i)(II) and 20 CFR 679.310. The CLEO is responsible for:

- Appointing and approving members to the Local Workforce Development Board (LWDB) in alignment with WIOA Sec. 107(b) and applicable state policy;
- Overseeing the LWDB to ensure compliance with federal, state, and local requirements;
- Approving the LWDB budget and expenditures; and
- Ensuring fiscal and programmatic accountability for WIOA Title I funds.

The CLEO may designate a fiscal agent to administer funds and perform day-to-day financial and administrative functions. This designation does not relieve the CLEO of ultimate liability under 20 CFR 683.710.

### **Multiple Chief Local Elected Officials (CLEO's) in a Local Workforce Area**

In local workforce development areas that consist of more than one unit of general local government, all CLEOs jointly serve as the grant recipients under WIOA Sec. 107(c)(1)(B) and 20 CFR 679.310. In such areas:

- CLEOs must act jointly in appointing LWDB members, approving the local plan, and overseeing the LWDB;
- CLEOs are jointly and severally liable for the proper use and expenditure of WIOA Title I funds, consistent with WIOA Sec. 107(d)(12)(B)(i)(II) and 20 CFR 683.710; and
- CLEOs may designate one entity to serve as the fiscal agent for administering WIOA funds and supporting the LWDB. The fiscal agent designation does not alter CLEOs' joint liability.

### **Lead CLEO Designation**

CLEOs in multi-county or multi-jurisdiction areas may designate a Lead CLEO to serve as the primary point of contact with:

- The Local Workforce Development Board (LWDB);
- The Governor's Workforce Development Board (GWDB); and
- The Maryland Department of Labor as the State Workforce Agency.

The Lead CLEO facilitates communication and coordination but does not hold exclusive authority. All CLEOs retain equal responsibility for approvals, oversight, and liability. The Lead CLEO role may be rotated or re-designated by mutual agreement of the CLEOs.

### **Collective Responsibilities of Multiple CLEOs**

When more than one CLEO governs a local area, the CLEOs collectively:

- Appoint and approve membership to the LWDB in alignment with WIOA requirements;
- Review and approve the Local Plan and any plan modifications;
- Approve LWDB budgets, funding plans, and related expenditures;
- Participate in dispute resolution processes as required; and
- Ensure that all actions under this Agreement comply with applicable federal, state, and local laws.

Execution of this Agreement requires the signatures of all CLEOs representing each unit of general local government in the local area.



## **Conflict of Interest and Firewalls**

In accordance with 20 CFR 679.430, the CLEO and the LWDB shall establish firewalls to prevent conflicts of interest when the LWDB also serves as a service provider or one-stop operator. Written standards of conduct shall require fairness, objectivity, and transparency, and shall ensure that oversight, monitoring, and evaluation functions are performed independently from service delivery.

## **Fiscal Agent**

The CLEO(s) may designate a Fiscal Agent to carry out day-to-day financial and administrative functions on behalf of the local workforce area. The Fiscal Agent shall:

- Manage WIOA Title I funds in accordance with federal cost principles and state and local requirements;
- Maintain financial controls, accounting systems, and documentation needed for fiscal integrity;
- Provide regular financial reports to the CLEO(s) and the LWDB regarding expenditures, obligations, and budget status;
- Support audits, monitoring, procurement documentation, and fiscal reconciliation;
- Implement financial policies approved by the CLEO(s) and LWDB.

Designation of a Fiscal Agent does not relieve the CLEO(s) of joint and several liability for the proper use and expenditure of WIOA funds under 20 CFR 683.710.

In multi-county areas, all CLEOs must jointly approve the Fiscal Agent designation.

## **Roles and Responsibilities of the CLEO**

The Chief Local Elected Official (CLEO), or all CLEOs in a multi-county local workforce development area, serve as the local grant recipient(s) under WIOA Sec. 107(d)(12)(B)(i)(II). In this role, the CLEO(s):

- Appoint members to the Local Workforce Development Board (LWDB) in accordance with WIOA Sec. 107(b) and 20 CFR 679.310.
- Maintain oversight responsibility for the LWDB and ensure compliance with applicable federal, state, and local requirements.
- Oversee and approve the use of WIOA Title I funds within the local workforce development area.
- Ensure alignment of local workforce operations with the Local Workforce Plan, regional strategies, and the State Plan.
- Provide leadership in coordinating workforce, education, and economic development efforts within the local area.
- The CLEO(s) may designate an administrative or fiscal entity to perform operational and day-to-day functions.

### **Responsibilities of the Grant Recipient/Administrative Entity**

1. Operate programs which comply with pertinent federal, state, and local laws/regulations/policies;
2. Coordinate workforce efforts in conjunction with WIOA-required partners, other community partners, and other workforce development organizations to meet the regional workforce needs;
3. Provide staff support for the LWDB and its functions as needed;
4. Coordinate and prepare reports and audits to ensure sound financial management and efficient program operations; reports shall be submitted on a timely basis to comply with local, state, and federal reporting requirements and provide sufficient time to appropriately consolidate information;
5. Participate in the development and management of Memorandums of Understanding, Resource Sharing Agreements, Local Workforce Plans, One-Stop Operator procurement, and policy development related to the Area.
6. The grant recipient/administrative entity shall have the following responsibilities with respect to programs it chooses to operate:
  - a. Plan, budget, hire staff, and enter contracts or agreements to carry out programs under all applicable laws and grantor agency rules;
  - b. Provide support services such as accounting, purchasing, personnel, legal services, and other in-kind services necessary for the provision of workforce development services; and
  - c. Determine the level of local funding to be appropriated to the respective employment and training entity.
7. The CLEO shall appoint members to the LWDB in accordance with procedures specified in the Act;
8. The **[Insert County Name]** shall provide oversight and management of the data and performance information entered into the state recording system;

### **Responsibilities of the Management Team**

The management team is comprised of management personnel specific to the County's Title I agency and One-Stop Partnerships. Responsibilities of the management team include:

1. Meet, as needed, to plan and implement policies as set forth by the Act, the Regulations, directives from the U.S. Department of Labor (DOL), the Maryland Governor's Workforce Development Board (GWDB), the Maryland Department of Labor's Division of Workforce Development and Adult Learning (DWDAL);
2. Participate in the preparation, review, and submission of grant applications with budgets;
3. Review and implement program activities in accordance with the local or regional WIOA Plan or subsequent plans; and

4. Assess performance, including the efficient use of resources and the effective cooperation of the partners' performance within the one-stop service delivery system.

### Amendments and Termination

1. This Agreement may be amended by mutual written consent of the Parties; and
2. Any Party may terminate their participation with 90 days' written notice to the other Parties.

### Dispute Resolution

1. Any disputes arising under this Agreement shall first be addressed through informal negotiation among the Parties; and
2. If disputes cannot be resolved, the matter shall be referred to a mutually agreed-upon mediator.

### Dispute Resolution Process

If a dispute arises during the negotiation of the MOU, the Local Board Chair (or designee) will first attempt to resolve it locally by:

1. **Documenting the disagreement** - Include the issues involved and relevant background information.
2. **Engaging all relevant partners** - in facilitated discussions to reach consensus.
3. **Using a neutral third-party facilitator or mediator**, if available and mutually agreed upon.
4. **Escalating when unresolved** - If no agreement is reached within a reasonable timeframe, the Local Board Chair (or designee) must notify the **Governor's Workforce Development Board (GWDB)** in writing **(INSERT DATE)** of the program year.

The written notice to GWDB must include:

- A summary of the dispute and actions taken to resolve it
- Names of the parties involved
- Supporting documentation

Upon receipt, GWDB will:

- Acknowledge the dispute in writing
- Offer technical assistance and facilitation support
- Schedule a meeting with the Local Board Chair (or designee) and partners to work toward resolution

### Term of Agreement



1. This Agreement shall be effective **[Insert Date of Execution]** through **[Insert End Date from Two Year E]**. This is based on the implementation of the current Local Workforce Plan;
2. This Agreement shall be reviewed as needed and may be amended by consent of each party; and
3. Dissolution of this Agreement would be at the discretion of the Governor through petition from the County.

**IN WITNESS WHEREOF**, the undersigned Chief Local Elected Officials have executed this Agreement as of the date first written above.

**[INSERT COUNTY NAME]**

**[INSERT COUNTY NAME or LOCAL WORKFORCE AREA] WORKFORCE DEVELOPMENT BOARD**

**Signature(s):**

_____	_____
Name / Chief Elected Official	Date
_____	_____
Name / Local Workforce Development Board Chair	Date
_____	_____
Name / Local Workforce Development Board Director	Date
_____	_____
Name / Local Workforce Development Board Fiscal Agent	Date
_____	_____
Name / Title	Date

## DRAFT COVER LETTER FOR CLEO AGREEMENT TEMPLATE

[Insert Date]

Dear [Chief Local Elected Official],

On behalf of the Maryland Governor's Workforce Development Board (GWDB), I am sharing the enclosed Chief Local Elected Official (CLEO) Agreement Template for your review and signature.

### Purpose of the Agreement

This Agreement is required under the Workforce Innovation and Opportunity Act (WIOA) ("the Act"). It defines the partnership between the Chief Local Elected Official (CLEO) and the Local Workforce Development Board (LWDB) to ensure strong local governance and accountability for federal workforce development funds. Each CLEO must have a signed agreement with their LWDB, and the GWDB will maintain copies on file for federal and state monitoring purposes.

### Role of the CLEO

- The CLEO appoints members to the LWDB in accordance with WIOA and state policy.
- The CLEO maintains oversight responsibility for the LWDB and for the use of WIOA Title I funds in the local area.
- As the local grant recipient, the CLEO is ultimately liable for any misuse of WIOA funds, although a fiscal agent may be designated to carry out day-to-day financial responsibilities.

### Role of the LWDB

- The LWDB provides strategic leadership for the local workforce system, setting policy direction and ensuring alignment with state and regional workforce goals.
- The LWDB, in partnership with the CLEO, oversees the one-stop delivery system, selects the one-stop operator, and ensures performance accountability for WIOA programs.
- The LWDB must also maintain firewalls and avoid conflicts of interest when carrying out its responsibilities.

### Fiscal Agent

If the CLEO designates a fiscal agent (often the county or another local entity), the fiscal agent will manage funds and provide financial reporting. However, under federal law, the CLEO retains ultimate liability for all WIOA Title I funds allocated to the local area.



## Next Steps

Please review the attached Agreement, sign on behalf of **[Insert County Name]**, and return a copy to the GWDB. We will maintain official records of each signed agreement for state and federal oversight, including future U.S. Department of Labor audits.

## References

### Federal Statutes

- Workforce Innovation and Opportunity Act (WIOA), 29 U.S.C. § 3101 *et. seq* (2015) (Pub. L. 113-128):
  - WIOA Sec. 107(c)(1)(B): CLEO appointment of LWDB members
  - WIOA Sec. 107(d)(12)(B)(i)(II): CLEO as grant recipient and fiscal liability

### Federal Regulations

- [20 CFR 679.310](#) – Relationship between the CLEO and the Local Workforce Development Board
- [20 CFR 679.370](#) – Authority of the Local Workforce Development Board and shared governance functions
- [20 CFR 679.430](#): Oversight and firewalls between CLEO/LWDB/ One-Stop Operators
- [20 CFR 683.710](#): CLEO liability for misuse of WIOA funds

### Reference Entities

- U.S. Department of Labor (DOL)
- Maryland Department of Labor, Division of Workforce Development and Adult Learning (DWDAL)
- Maryland Governor's Workforce Development Board (GWDB)

We appreciate your leadership in ensuring strong governance, compliance, and service delivery under WIOA in **[Insert Local Workforce Development Area Name]**.

Sincerely,

**[Insert Printed LWDB Chairperson Name Beneath Their Signature Above]**

Cc: **[Insert LWDB Director Name]**



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