

**Human Resource Investment Council/  
Illinois Workforce Investment Board**

**Conflict Resolution Procedure  
for  
Memorandum of Understanding Impasse**

**Purpose:**

To explain the State's conflict resolution process designed to ensure that all partners have the opportunity to resolve issues that arise out of the development and negotiation of a Memorandum of Understanding (MOU) agreement in a fair and equitable manner. It is intended to foster sound relations through open communication and ultimate reconciliation of matters that are appropriate for handling under this procedure.

**Background:**

The Workforce Investment Act (WIA) requires that the Local Workforce Investment Board (LWIB) and the One-Stop partners execute a MOU agreement. WIA emphasizes that in developing the MOU, it is the legal obligation of the LWIB and the partners to engage in good faith negotiation and reach an agreement on the MOU.

In the event that negotiations break down at the local level, the State is compelled to offer assistance to the LWIB and the partners to help them reach an MOU agreement. Local One-Stop Delivery Systems are the cornerstone of Illinois' workforce development system, and it is imperative that all partners be a part of the local service delivery structure. This policy is designed to provide a process for parties to the MOU to follow when they are unable to reach an agreement.

**Definitions:**

1. **Appropriate Conflict**

An appropriate conflict is any issue that arises out of the development and negotiation of a Memorandum of Understanding (MOU) agreement.

2. **Local Partner**

A local partner is the local representative of a one-stop partner program with the authority to negotiate the MOU on behalf of the program.

3. Petitioner

The petitioner is the party seeking resolution under this policy. Any party to the MOU may seek resolution under this policy.

4. Ombudsperson

The ombudsperson is the individual appointed by the HRIC/TWIB Co-Chairs to oversee the conflict resolution procedure. The primary responsibility of the ombudsperson is to coordinate the process to ensure that issues are being resolved in accordance with this policy.

5. State Partner

A state partner is the state agency head or designee for all one-stop partner programs.

**The State's MOU Impasse Policy:**

1. All time limits specified in this procedure are calendar days. In the interest of the prompt resolution of the conflict, the action at each step of this procedure should be done as soon as possible, but generally not later than the prescribed time limits. The time limit may be extended at the discretion of the ombudsperson, due to unforeseen circumstances.
2. The ombudsperson or designee will serve in an advisory role throughout the conflict resolution process. State Partners, Local Partners and LWIBs may seek assistance from the ombudsperson or designee at any step of the procedure.
3. The Conflict Dispute Resolution procedure has a maximum of four steps, but conflicts may be resolved at any step in the process. A decision becomes binding on all parties when a decision is agreed to by the appropriate parties. The right of appeal no longer exists when a decision is agreed to by the appropriate parties..
4. Final decisions reached through this Conflict Resolution Procedure will not be precedent-setting or binding on future conflict resolutions unless they are officially stated in this procedure.
5. The ombudsperson may, at his/her discretion, decline to proceed with this process if he/she determines that the issue would not be an appropriate conflict under this procedure.
6. All conflicts must be recorded on the MOU Conflict Resolution Form and submitted to ombudsperson to initiate procedure.

The following procedure must be followed:

*1. Step 1 - Appeal to State Partners*

- A. The petitioner must promptly complete the Conflict Resolution Review Request Form and submit it to the ombudsperson. The petitioner must notify all parties to the MOU of the conflict. The ombudsperson will immediately notify the State Partners of the conflict by disseminating the Conflict Resolution Form.
- B. The Governor will select a staff person to facilitate meeting under Step 1 of this procedure.
- C. The State Partners will take the following steps:
  - 1. Within seven calendar days of receipt of the Conflict Resolution Review Form, meet to discuss the conflict with all appropriate Local Partners and the LWIB Chair. Notify ombudsperson of meeting date.
  - 2. Continue to investigate the conflict to obtain additional information or to clarify the facts presented.
  - 3. Provide a written response and dated summary of the proposed resolution to all partners and the ombudsperson within three calendar days after the meeting. The ombudsperson will contact the petitioner, the appropriate State and Local Partners (when a local partner is not the petitioner) and the LWIB (when the Board is not the petitioner) to verify that all appropriate parties are in agreement with the proposed resolution. When all Partners are in agreement, the conflict will be considered settled. If the conflict is not resolved within 10 days of receipt of the Conflict Resolution Review Form, the ombudsperson or designee will move the conflict to Step 2 by disseminating the Conflict Resolution Form and proposed resolution from Step 1 to the LWIB.

*2. Conflict Sent Back to Locals for Resolution By Local Workforce Investment Board*

- A. When the State Partners proposed resolution is not acceptable to the petitioner, the appropriate State and Local Partners (when a local partner is not the petitioner) and the LWIB (when the Board is not the petitioner), or the meeting with all State Partners was not held within seven calendar days, the ombudsperson or designee will move the conflict to Step 2 by disseminating the Conflict Resolution Form and proposed resolution from Step 1 to the LWIB.
- B. The LWIB Chair may select an appropriate combination of members to serve as a review team to facilitate meeting at Step 2 under this procedure.
- C. The LWIB will take the following steps:

1. Within seven calendar days of receipt of the Conflict Resolution Review Form and the proposed resolution from Step 1, meet to discuss the conflict with all appropriate State and Local Partners. Notify ombudsperson of meeting.
2. Continue to investigate the conflict to obtain additional information or to clarify the facts presented.
3. Provide a written response and dated summary of the proposed resolution to all appropriate parties within three calendar days after the meeting. The ombudsperson or designee will contact the petitioner, the appropriate State and Local Partners (when a local partner is not the petitioner) and the LWIB (when the Board is not the petitioner) to verify all Partners are in agreement with the proposed resolution. When all Partners are in agreement, the conflict will be considered settled. If the conflict is not resolved within 10 days of receipt of the Conflict Resolution Review Form, the ombudsperson or designee will move the conflict to Step 3 by disseminating the Conflict Resolution Form and proposed resolution from Step 1 & 2 to the HRIC/TWIB Executive Committee.

*3. Step 3 - Appeal to HRIC/TWIB Executive Committee*

- A. When the LWIBs proposed resolution is not acceptable to the petitioner, the appropriate State and Local Partners (when a local partner is not the petitioner) and the LWIB (when the Board is not the petitioner), or the meeting with the LWIB was not held within seven calendar days, the ombudsperson or designee will move the conflict to Step 3 by disseminating the Conflict Resolution Form and proposed resolution from Steps 1 & 2 to the HRIC/TWIB Executive Committee.
- B. The HRIC/TWIB Executive Committee will take the following steps:
  1. Within seven calendar days of receipt of the Conflict Resolution Review Form and all proposals for resolution from Steps 1 & 2, meet to discuss the conflict with all appropriate State Partners, Local Partners and the LWIB Chair. Notify ombudsperson of meeting
  2. Continue to investigate the complaint to obtain additional information or to clarify the facts presented.
  3. Provide a written response and dated summary of the proposed resolution to all appropriate parties within three calendar days after the meeting. The ombudsperson or designee will contact the petitioner, the appropriate State and Local Partners (when a local partner is not the petitioner) and the LWIB (when the Board is not the petitioner) to verify all Partners are in agreement

with the proposed resolution. When all Partners are in agreement, the conflict will be considered settled. If the conflict is not resolved within 10 days of receipt of the Conflict Resolution Review Form, the Co-Chairs of the Executive Committee will move the conflict to Step 4.

*Step 4. - Consultation with Federal Government*

- A. When the Executive Committee proposed resolution is not acceptable to the petitioner, the appropriate State and Local Partners (when a local partner is not the petitioner) and the LWIB (when the Board is not the petitioner), or the meeting with the Executive Committee was not held within seven calendar days, the Co-Chairs of the Executive Committee will move the conflict to Step 4.
- B. The Executive Committee Co-Chair will take the following steps:
  1. Present the facts regarding the conflict to the HRIC/TWIB.
  2. Immediately seek consultation to resolve conflict from all appropriate Federal agencies on behalf of the HRIC/TWIB.
  3. In the event that a MOU between the LWIB and a required partner is not executed, the HRIC/TWIB Co-Chairs will notify the Secretary of Labor and the heads of any other Federal agency responsible for oversight of a partner's program.

**Failure To Execute MOU Agreement:**

1. If an impasse has not been resolved after Step 4, any required program partner that fails to execute an MOU agreement may not be permitted to serve on the LWIB.
2. If an impasse has not been resolved after Step 4, any local area in which a LWIB has failed to execute an MOU with all of the required partners is not eligible for State incentive grants awarded on the basis of local coordination.

**Authority and Applicable Law:**

1. State Authority (20 CFR Part 661.120 (b))
2. Consultation with Federal Government (20 CFR Part 662.310 (b))
3. Failure to Execute MOU Agreement (20 CFR Part 662.310 (c))

**Effective Date: June 8, 2000**

MEMORANDUM OF UNDERSTANDING  
CONFLICT RESOLUTION FORM  
STEP \_\_\_\_\_

Workforce Investment Area # \_\_\_\_\_ Date Conflict Submitted \_\_\_\_\_

Please check one:

Local Workforce Investment Board \_\_\_\_\_  
(Board Chair or person submitting form)

Local Partner Program Rep. \_\_\_\_\_  
(Name of partner program and person submitting form)

Nature of Dispute:

Response:

Date Responded \_\_\_\_\_ Party Responding \_\_\_\_\_  
Representative's Name

• If satisfactorily settled - Date: \_\_\_\_\_ Verified by: \_\_\_\_\_

• Not settled - Date: \_\_\_\_\_ Moved to Step: \_\_\_\_\_ On: \_\_\_\_\_

CONFLICT RESOLUTION PROCEDURE FOR MOU IMPASSE

