

AI Literacy Implementation Guide for Community-Based Organizations

A practical companion to the DOL AI Literacy Framework (TEN 07-25)

The Scaffold Initiative
2026



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What the DOL AI Literacy Framework Requires

Key Takeaway

The DOL Framework (TEN 07-25) defines five content areas and seven delivery principles for AI literacy programs funded under WIOA. Every CBO program should address all five areas. This section translates federal requirements into actionable terms.

The Department of Labor's Training and Employment Notice 07-25 (February 2026) defines AI literacy as "a foundational set of competencies that enable individuals to use and evaluate AI technologies responsibly, with a primary focus on generative AI." The framework establishes five foundational content areas and seven delivery principles.

The 5 Content Areas

The DOL Framework organizes AI literacy into five areas of competency. Every AI literacy program funded under [WIOA](#) should address all five, though the depth and sequencing will vary by audience and sector.

1

Understand AI Principles

Learners grasp what AI is, how it works at a high level, and where it falls short. Covers pattern recognition, capabilities across modalities, training vs. inference, hallucinations, and human oversight.

Example Activities

- Guided exploration: "Ask an AI to summarize a news article, then fact-check three claims."
- Comparison exercise: AI-generated vs. human-written text.

What CBOs need: A facilitator who can explain AI without jargon. Access to at least one free-tier generative AI tool. Printed handouts for participants without devices.

2

Explore AI Uses

Learners experiment with AI tools across practical use cases – drafting, summarizing, analyzing data, scheduling, transcription, and decision support.

Example Activities

- Participants use AI to draft a cover letter, then revise it.
- Teams summarize a 3-page policy document and compare summaries.

What CBOs need: Multiple AI tools for hands-on use. Sector-relevant examples (healthcare scheduling, manufacturing inventory, hospitality guest communication).

3

Direct AI Effectively

Learners practice giving AI clear instructions – contextual framing, prompt structure, iterating on outputs, and avoiding vague or misleading inputs.

Example Activities

- Prompt engineering workshop: write, evaluate, revise, compare results.
- "Bad prompt / good prompt" exercises with side-by-side comparisons.

What CBOs need: Facilitators trained in basic prompt engineering. A structured exercise bank with prompts at progressive difficulty levels.

4

Evaluate AI Outputs

Learners assess AI-generated content for accuracy, completeness, logical errors, and alignment with original intent. This is the critical thinking layer.

Example Activities

- Participants receive an AI-generated email with embedded errors and identify every inaccuracy.
- Group exercise: evaluate an AI-generated budget projection against real data.

What CBOs need: Assessment rubrics for evaluating AI output quality. Real-world documents for comparison. Facilitator comfort with "AI got it wrong" as a teaching moment.

5

Use AI Responsibly

Learners understand data privacy, workplace policies, ethical use, context-specific risks, and personal accountability for AI-assisted decisions.

Example Activities

- Scenario: "Your supervisor asks you to use AI to draft a client letter. What information should you NOT paste in?"
- Review a sample workplace AI acceptable use policy.

What CBOs need: A sample acceptable use policy template. Discussion prompts for ethical scenarios. Awareness of industry-specific regulations (HIPAA, FERPA).

The 7 Delivery Principles

The DOL Framework does not just specify *what* to teach — it specifies *how* to teach it. These seven principles should guide program design, facilitator training, and curriculum development.

1

Enable Experiential Learning

Learning happens through doing, not watching. Participants must interact with AI tools during every session.

Design check: Does every session include at least 50% hands-on time?

2

Embed Learning in Context

AI literacy must connect to the learner's actual job, industry, or career goal. Generic training is insufficient.

Design check: Can a participant describe how they would use AI in their specific job?

3

Build Complementary Human Skills

AI augments — it does not replace — judgment, creativity, communication, and problem-solving. Training must develop both.

Design check: Does the module require participants to exercise judgment?

4

Address Prerequisites to AI Literacy

Many participants lack the digital literacy foundation AI literacy assumes. Programs must assess and address these gaps.

Design check: Is there a pathway for participants below baseline on digital literacy?

5

Create Pathways for Continued Learning

AI literacy is a starting point, not an endpoint. Programs should connect to advanced skills, credentials, and AI-related career pathways.

Design check: Does the program offer at least one "what's next" pathway?

6

Prepare Enabling Roles

Managers, career counselors, and mentors must understand AI well enough to support participants. Training the learner is not enough.

Design check: Are the people who support participants also AI-literate?

7

Design for Agility

AI capabilities evolve rapidly. Programs must have built-in mechanisms to update content, swap tools, and adapt without redesigning from scratch.

Design check: Can you update one module without rewriting the entire curriculum?

Connecting the Framework to WIOA Requirements

Regulatory Context

The DOL Framework sits within a broader federal policy architecture. Understanding this chain is essential for CBO positioning.

1

TEGL 03-25 (August 2025)

Authorizes WIOA Title I funds for AI training, establishing the legal basis for workforce boards to fund AI literacy programs.

2

TEN 07-25 (February 2026)

Provides the content framework – the *what* and *how* of AI literacy. This is the framework explained on this page.

3

State WIOA Plan Modifications (PY 2026–2027)

States describe how they will integrate AI literacy into their workforce systems. These plans set the local funding context.

4

Local Workforce Development Boards

Translate state plans into procurement, programming, and CBO partnerships. This is where funding meets delivery.

For a CBO, the practical chain is: **DOL sets the standard → states adopt it → local boards fund it → CBOs deliver it.** This guide covers the last step in that chain.

CBO Readiness Self-Assessment

Key Takeaway

Before launching an AI literacy program, assess your organization's capacity across five dimensions. This 20-question diagnostic identifies strengths and gaps so you know exactly where to invest before committing to delivery.

Designed for CBO executive directors and program managers to complete in 20–30 minutes with input from key staff. Rate each item on a 1–5 scale.

Instructions

1 = Not started 2 = Emerging 3 = Developing 4 = Established 5 = Fully operational

Self-Assessment

Dimension A: Strategic Alignment

A1 Has your organization's leadership identified AI literacy as a strategic priority for the next 1–2 years?

1 2 3 4 5

A2 Does your board of directors support investing staff time and resources in AI programming?

1 2 3 4 5

A3 Is AI literacy aligned with your organization's mission and the populations you serve?

1 2 3 4 5

A4 Have you reviewed your LWDB's most recent strategic plan or WIOA modification for references to AI, digital literacy, or emerging technology training?

1

2

3

4

5

Dimension B: Staff Capacity

B1 Can at least two frontline staff members use a generative AI tool (e.g., ChatGPT, Claude, Gemini) to complete a basic task?

1 2 3 4 5

B2 Are your trainers or instructors willing to learn new technology tools, even if they are not currently familiar with AI?

1 2 3 4 5

B3 Does your organization maintain a trainer-to-learner ratio of no more than 1:15 for hands-on technology instruction?

1 2 3 4 5

B4 Do you have staff with experience in adult education pedagogy – managing mixed-skill classrooms, scaffolding instruction, and adapting to varied learning speeds?

1 2 3 4 5

Dimension C: Technology Infrastructure

c1 Does your primary training facility have reliable broadband internet access (minimum 25 Mbps download) sufficient for 15+ simultaneous users?

1 2 3 4 5

c2 Can you provide a laptop, tablet, or desktop computer for every participant during training sessions?

1 2 3 4 5

c3 Does your organization have an acceptable use policy that addresses AI tools, data privacy, and participant information security?

1 2 3 4 5

c4 Can your IT infrastructure support individual user accounts for AI platforms, or do you have a plan for shared access?

1 2 3 4 5

Dimension D: Data and Reporting Systems

D1 Does your organization collect and securely store participant demographic data (race, ethnicity, gender, age, English language proficiency, disability status, veteran status)?

1 2 3 4 5

D2 Can you track individual participant progress across multiple training sessions – including enrollment dates, modules completed, and assessment scores?

1 2 3 4 5

D3 Do you have experience reporting outcomes to a funder, government agency, or accrediting body using standardized data formats?

1 2 3 4 5

D4 Can your data systems produce disaggregated outcome reports (e.g., completion rates by demographic group)?

1 2 3 4 5

Dimension E: Community Partnerships

E1 Does your organization have an existing relationship with your LWDB or a local American Job Center?

1 2 3 4 5

E2 Do you have employer partners who have expressed interest in hiring workers with AI literacy skills?

1 2 3 4 5

E3 Does your organization serve populations that face barriers to employment – including limited English proficiency, lack of transportation, childcare needs, criminal records, or limited digital access?

1 2 3 4 5

E4 Are you connected to other CBOs, educational institutions, or community organizations with whom you could share resources or co-deliver programming?

1 2 3 4 5

A Note on Readiness vs. Perfection

A perfect score is not required to start. Many CBOs will score highest in Dimensions A (Strategic Alignment) and E (Community Partnerships) and lowest in Dimensions C (Technology) and D (Data). That is typical.

The purpose of this assessment is not to create barriers to entry – it is to ensure that when you launch, you can deliver a quality program and sustain it. A CBO that scores 3.0 across all dimensions and addresses its weakest area before launching will outperform a CBO that scores 4.0 everywhere but skips the assessment entirely.

Modular Curriculum Framework

Key Takeaway

A **Core and Shell** architecture: the Core contains foundational AI competencies mapped directly to the DOL's 5 content areas, and the Shell contains sector-specific adaptations. Total program: 17–21 hours across 5–7 sessions.

Core and Shell Architecture

Core modules are fixed. Every AI literacy program delivers them regardless of sector. They map one-to-one to the DOL Framework's 5 content areas.

1

What AI Is and Isn't

Maps to: Understand AI Principles

3 hours · Lecture + guided exploration

2

Hands-On AI Exploration

Maps to: Explore AI Uses

3 hours · Lab-based, tool rotation

3

Communicating with AI

Maps to: Direct AI Effectively

3 hours · Workshop, progressive prompting

4

Evaluating What AI Gives You

Maps to: Evaluate AI Outputs

2 hours · Critical analysis exercises

5

Using AI Safely and Ethically

Maps to: Use AI Responsibly

2 hours · Scenario-based discussion + policy review

Shell modules are customizable. They apply Core competencies to specific sectors, occupations, or population needs. A CBO selects or develops Shell modules based on local employer demand and [LWDB](#) priorities.

13 hrs

Core modules

4–8 hrs

Shell modules

17–21 hrs

Total program

5–7 sessions or 3-day compressed

Module Anatomy

Every module — Core or Shell — follows a standard structure. This consistency allows facilitators to prepare efficiently and ensures every session produces documentable evidence for WIOA reporting.

Learning Objectives

2–3 observable behaviors the participant will demonstrate by the end of the module. Written in action verbs (draft, evaluate, identify, explain).

Example: "The participant will draft a customer service email using a generative AI tool and evaluate the output for accuracy and tone."

Duration

2–4 hours per module. Matches WIOA-funded session expectations and adult attention spans. Example: 3 hours (90 min instruction + 90 min hands-on).

Materials and Tools

Specific AI tools, devices, handouts, and reference materials. Prioritize free or low-cost tools: free-tier ChatGPT or Claude, printed prompt templates, sample documents for evaluation exercises.

Facilitator Notes

Guidance for the instructor on managing common challenges: varying digital fluency, handling AI hallucinations during live demos, adapting pace.

Example: "If the AI generates incorrect information during a live demo, do not dismiss it. Use it as a teaching moment: ask the group, 'How would you verify this?'"

Check for Understanding

A practical assessment that produces documentable evidence of skill gain. This is the basis for a WIOA MSG.

Example: Participant summarizes a 2-page document using AI, then writes a 3-sentence evaluation of the summary's accuracy. Scored on a rubric.

Core Module Details

Module 1: What AI Is and Isn't (3 hours)

DOL Content Area: Understand AI Principles

Learning Objectives:

- Explain what generative AI does in plain language, including what it can and cannot do reliably
- Identify at least two real-world examples of AI in their daily life or workplace
- Describe what a "hallucination" is and why AI-generated content must be verified

Facilitator Notes

This module sets the tone. Participants may arrive with anxiety about AI replacing their jobs, or skepticism that AI is relevant. Both are valid. Acknowledge them directly. The goal is to make AI less abstract and more approachable.

Check for Understanding: Participants write a 3-sentence explanation of what generative AI is, in their own words, without notes. Scored on a 3-point rubric: accuracy, acknowledgment of limitations, use of a concrete example. Documents **Training Milestone MSG (Type 4)**.

Module 2: Hands-On AI Exploration (3 hours)

DOL Content Area: Explore AI Uses

Learning Objectives:

- Use at least two different AI tools to complete practical tasks
- Identify one way AI could assist with a task in their current or target occupation
- Compare output quality across different AI tools

Check for Understanding: Each participant submits one AI-generated work product with a written reflection (3–5 sentences) on what the AI did well and what required human revision. Documents **Skills Progression MSG (Type 5)**.

Module 3: Communicating with AI (3 hours)

DOL Content Area: Direct AI Effectively

Learning Objectives:

- Write a structured prompt with context, audience, tone, and format specifications
- Revise an AI output by iterating on the original prompt at least twice
- Distinguish between a vague prompt and an effective prompt

Facilitator Notes

Prompt engineering is where participants often experience the first "aha moment" – the realization that AI quality is controllable, not random. If a participant's prompt produces poor output, resist the urge to fix it. Ask: "What could you add to help the AI understand what you want?"

Check for Understanding: Participants submit their best prompt-output pair, annotated with what they changed between iterations and why. Documents **Skills Progression MSG (Type 5)**.

Module 4: Evaluating What AI Gives You (2 hours)

DOL Content Area: Evaluate AI Outputs

Learning Objectives:

- Identify at least three types of errors in AI-generated content
- Apply a structured evaluation rubric to AI output
- Explain why human judgment remains essential with AI-generated content

Check for Understanding: Participants evaluate one AI-generated document using the rubric and write a 2-sentence recommendation: use as-is, revise, or discard. Documents **Training Milestone MSG (Type 4)**.

Module 5: Using AI Safely and Ethically (2 hours)

DOL Content Area: Use AI Responsibly

Learning Objectives:

- Identify at least three categories of information that should never be entered into a public AI tool
- Review and explain the key elements of a workplace AI acceptable use policy
- Describe one ethical concern related to AI use in their sector

Facilitator Notes

Responsible use is not about fear — it is about informed judgment. Participants should leave feeling empowered to use AI confidently within clear boundaries, not afraid to use it at all.

Check for Understanding: Participants write a brief (5-sentence) personal AI use policy for their current or target role. Documents **Training Milestone MSG (Type 4)**.

Sector Adaptations (Shell Modules)

Shell modules apply Core competencies to specific occupational contexts. Below are three sector adaptations demonstrating how the same Core competency maps to different workplace tasks.

Healthcare

Understand AI Principles

How AI is used in medical scheduling, clinical decision support, and patient triage. What AI cannot do: diagnose, prescribe, or replace clinical judgment. HIPAA implications.

Explore AI Uses

Draft a patient appointment reminder. Summarize a care plan for a case management meeting. Generate a checklist for a new patient intake process.

Direct AI Effectively

Prompt AI to create a patient education handout at a 6th-grade reading level. Iterate to ensure medical accuracy without jargon.

Evaluate AI Outputs

Evaluate an AI-generated care plan summary for clinical accuracy and HIPAA compliance. Flag information that could lead to a treatment error.

Use AI Responsibly

Never enter patient PII (name, DOB, SSN, medical record number) into a consumer AI tool. Understand HIPAA's minimum necessary standard.

Manufacturing

Understand AI Principles

How AI is used in predictive maintenance, quality control, and supply chain optimization. What AI cannot do: replace human inspection for safety-critical components.

Explore AI Uses

Draft a shift handoff report. Summarize a safety incident for documentation. Generate a preventive maintenance schedule from equipment logs.

Direct AI Effectively

Prompt AI to draft a standard operating procedure for a machine changeover. Iterate to match the actual equipment model and safety requirements.

Evaluate AI Outputs

Evaluate an AI-generated quality control checklist against the actual ISO standard. Flag missing inspection points.

Use AI Responsibly

Never enter proprietary manufacturing processes, trade secrets, or client specifications into a consumer AI tool. Understand IP protection.

Hospitality

Understand AI Principles

How AI is used in guest personalization, dynamic pricing, and inventory management. What AI cannot do: replace human judgment in guest relations or service recovery.

Explore AI Uses

Draft a guest welcome message. Summarize guest feedback from multiple reviews. Generate a staff training schedule for a new seasonal menu.

Direct AI Effectively

Prompt AI to create a response to a negative online review. Iterate to match brand voice and address the specific complaint.

Evaluate AI Outputs

Evaluate an AI-generated event proposal for a corporate client. Flag unrealistic timelines, missing cost items, or tone mismatches.

Use AI Responsibly

Never enter guest PII (credit card numbers, reservation details, loyalty program data) into a consumer AI tool. Understand PCI-DSS basics.

How CBOs Customize Shell Modules

1

Identify local employer needs

Contact 2–3 employer partners or review job postings. Ask: "What tasks do your employees perform that could be assisted by AI? Where are the skill gaps?"

2

Select relevant modules

Choose or develop 2–3 Shell modules aligned with the highest-demand sectors in your LWDB area. Check the Demand Occupation List or Regional/Local Plan.

3

Add sector-specific examples

Replace generic examples in the Core modules with occupation-specific tasks. The Core structure stays the same – only the content examples change.

4

Pilot and iterate

Run the first cohort as a pilot. Collect participant and employer feedback. Revise Shell modules based on what worked. This aligns with DOL Delivery Principle 7 (Design for Agility).

Train-the-Trainer Workshop

Key Takeaway

This 3-day workshop builds internal AI facilitation capacity. Target: 10–15 CBO trainers who are experienced adult educators but technological novices. They leave certified to deliver AI literacy programming.

Workshop Overview

DAY 1

Demystification and Foundational Fluency

Trainers become comfortable AI users

6 hours · Hands-on exploration

DAY 2

Pedagogical Integration and Sector Alignment

Trainers become comfortable AI instructors

6 hours · Collaborative design

DAY 3

Facilitation Practice and Certification

Trainers demonstrate readiness to deliver

6 hours · Practice teaching + assessment

Day 1: Demystification and Foundational Fluency

9:00–9:30 Welcome and Baseline

Introductions. Anonymous survey: comfort with AI tools. Discussion: biggest questions about AI.

Printed survey Markers Whiteboard

9:30–10:30 The DOL AI Literacy Framework

Walk through 5 content areas and 7 delivery principles. Explain why DOL published it, what TEGL 03–25 authorizes.

Printed Section 1 handout

10:30–10:45 Break

10:45–12:00 Guided AI Exploration

Each trainer completes 3 tasks using a free AI tool: (1) draft an email, (2) summarize a document from their own work, (3) ask AI a question they know the answer to and evaluate.

Laptops/tablets AI tool access Printed task cards

12:00–12:45 Lunch

12:45–1:30 AI Ethics, Data Privacy, and Acceptable Use

What data should never go into a consumer AI tool? Review a sample acceptable use policy. Trainers draft 3 rules for their CBO's AI policy.

Sample AUP template Printed worksheet

1:30–2:30 When AI Gets It Wrong

Introduction to hallucinations. Trainers ask AI about their area of expertise, identify errors. Group discussion: handling this in front of a classroom.

AI tool access

2:30–2:45 **Break**

2:45–3:30 **Tech Anxiety Workshop**

Direct discussion on imposter syndrome. Key frame: "You don't need to be an AI expert. You need to be an expert facilitator who understands AI well enough to guide others."

Printed reflection worksheet

3:30–4:00 **Day 1 Wrap-Up**

Review key concepts. Homework: use AI for one real work task tonight.

Facilitator Tip

Tech anxiety is the single biggest barrier on Day 1. Address it early, directly, and repeatedly. Do not rush the guided exploration — give trainers time to struggle. The trainers who are most anxious today are often the most effective facilitators later.

Day 2: Pedagogical Integration and Sector Alignment

9:00–9:30 **Homework Debrief**

Trainers share their real-world AI task. What worked? What surprised them?

9:30–10:30 **From User to Instructor**

Transition from "I can use AI" to "I can teach others." Review Core and Shell framework. How to write observable learning objectives.

Printed Section 3 handout

10:30–10:45 **Break**

10:45–12:00 **AI-Assisted Instructional Design**

Trainers use AI to build materials: (1) Generate a lesson plan for their population. (2) Create a rubric. (3) Draft facilitator talking points. Critique each other's outputs.

Laptops/tablets

AI tool access

12:00–12:45 **Lunch**

12:45–2:00 **Sector Alignment Workshop**

Groups by sector identify 3 AI-assisted occupational tasks, adapt one Core module, draft a Shell module outline.

Sector adaptation table

Flip chart paper

2:00–2:15 **Break**

2:15–3:15 **Prompt Engineering for Instructors**

Advanced prompting for instructional design: generate discussion questions, create scenarios, build assessments, adapt reading levels. Each trainer writes 5 prompts.

AI tool access

Prompt template handout

3:15–4:00 **Day 2 Wrap-Up**

Review outputs. Each trainer selects one micro-module (15 min) to teach-back on Day 3.

Module anatomy template

Day 3: Facilitation Practice and Certification

9:00–9:15 **Day 3 Overview**

Review assessment criteria for teach-back.

Printed rubric

9:15–11:15 **Teach-Backs (Part 1)**

Each trainer delivers 15-minute micro-module. 5 minutes structured feedback. 5–6 teach-backs.

Timer Rubric sheets AI tool access

11:15–11:30 **Break**

11:30–12:15 **Teach-Backs (Part 2)**

Remaining 5–6 teach-backs. Same format.

Timer Rubric sheets

12:15–1:00 **Lunch**

1:00–2:00 **Troubleshooting Practice**

5 structured scenarios: (1) AI tool crashes mid-demo. (2) Can't answer a question. (3) AI generates biased content. (4) Vastly different digital fluency levels. (5) Participant insists AI will take their job.

Scenario cards

2:00–2:15 **Break**

2:15–3:00 **Resource Review and Ongoing Support**

Review all workshop materials. Discuss ongoing professional development and peer networks.

Full guide (printed or digital)

3:00–3:45 **Certification Assessment**

Written component (15 min, 10 questions). Practical component (teach-back, already completed). Passing: 70% written + "proficient" on teach-back.

Assessment forms

3:45–4:00 Certificates and Closing

Milestone

Issue AI Facilitator Certification certificates. This certification is evidence of organizational capacity for your LWDB.

Printed certificates

About the AI Facilitator Certification

What it signals to an LWDB:

- Your CBO has staff who have been formally trained and assessed on AI literacy instruction
- Your program has internal quality control – certified facilitators follow a standardized curriculum aligned to the DOL Framework
- Your organization can document staff development as evidence of organizational capacity in WIOA grant applications

What this certification is NOT

- It is not a credential issued by DOL or any government agency – it is an internal organizational competency validation
- It is not permanent – facilitators should complete annual refresher training as AI tools and practices evolve
- It is not a substitute for subject matter expertise – certified facilitators are AI literacy instructors, not AI engineers or data scientists

Post-Workshop Support

Peer Check-In

Biweekly virtual meetups for certified facilitators to share challenges, exchange updated materials, and troubleshoot delivery issues.

Biweekly

Curriculum Review

Quarterly review of curriculum materials to incorporate new AI tools, updated DOL guidance, and lessons learned from delivery.

Quarterly

Facilitator Observation

Quarterly peer observation where one facilitator sits in on another's session and provides structured feedback using the teach-back rubric.

Quarterly

Advanced Workshop

Annual full-day workshop covering new AI developments, advanced prompting techniques, emerging sector applications, and recertification.

Annually

Workforce Board Partnership

Key Takeaway

Local Workforce Development Boards are the gateway to WIOA funding. Go through the LWDB, not AJCs directly – LWDBs control funding, procurement, and provider certification.

Understanding the LWDB Structure

Every local workforce area in the United States is governed by a LWDB. The board is appointed by the chief local elected official and is composed of representatives from business, labor, education, and community organizations. Understanding what the LWDB does is the first step to becoming a partner.

- **Sets strategic direction** – The LWDB develops and updates the local workforce plan, identifying priority industries, occupations, and skill gaps in the region.
- **Controls WIOA Title I funding** – The board allocates Adult, Dislocated Worker, and Youth formula funds to programs and providers within the local area.
- **Certifies training providers** – The LWDB manages the process for adding programs to the state ETPL, which determines who can receive Individual Training Account funding.
- **Oversees American Job Centers** – The board selects and monitors the operator of local AJCs, ensuring they deliver required services and meet performance standards.
- **Negotiates partner MOUs** – Under WIOA Section 121, the LWDB establishes MOUs with required and additional partners, defining how they will collaborate and share costs.

Finding Your LWDB

To find your LWDB: Visit [CareerOneStop.org](https://www.careeronestop.org)

(<https://www.careeronestop.org/LocalHelp/WorkforceDevelopment/find-workforce-development-boards.aspx>)

(sponsored by DOL) and search by ZIP code, or contact your state workforce agency.

Every state maintains a directory of local workforce areas and their boards.

How CBOs Fit In

CBOs can engage with the workforce system at multiple levels. Each level carries different formalization requirements and funding implications. Most CBOs will progress through these levels over time.

Referral Partner

Your organization exchanges referrals with [AJCs](#) or [LWDB-affiliated programs](#). [AJC career counselors](#) send participants to your programs; you refer your clients to [AJC services](#) they need. This is the most common starting point for CBOs entering the workforce system.

Formalization: Low · **WIOA Funding:** No direct WIOA funding

MOU Partner

Your organization signs a Memorandum of Understanding with the [LWDB](#) under [WIOA Section 121](#), formalizing your role in the local workforce system. You may operate as a specialized center, co-locate services, or provide a technology linkage. The MOU defines service commitments, cost-sharing, and referral protocols.

Formalization: Medium · **WIOA Funding:** Possible cost-sharing

Training Provider

Your organization delivers WIOA-funded training — either through cohort contracting under [WIOA §134\(c\)\(3\)\(G\)\(ii\)](#) or by listing your program on the state [ETPL](#). This is the highest level of integration and the path to direct WIOA funding for AI literacy programs.

Recommended Path

Most CBOs entering AI literacy should aim for Training Provider status via cohort contracting (Section 6). Cohort contracts are faster to establish than ETPL listing and better suited to the group-based delivery model of AI literacy programs.

Formalization: High · **WIOA Funding:** Direct WIOA funding

Memoranda of Understanding

An MOU under WIOA Section 121 is a collaborative agreement governing how partners design and deliver services. It is not a procurement contract. The MOU establishes the terms of integration between your CBO and the local workforce system.

System Design and Access

The MOU defines how your CBO integrates into the local one-stop delivery system. There are three primary integration models:

- **Affiliate AJC site** — Your facility becomes a recognized AJC access point, offering a subset of AJC services alongside your own programming.
- **Specialized center** — Your CBO operates as a center focused on a specific population or service area (e.g., AI literacy for underserved adults), with formal referral linkages to the comprehensive AJC.
- **Technology linkage** — Your CBO provides virtual or technology-mediated access to AJC services, enabling participants to connect to career counseling, job search, and training information through your facility.

Most AI literacy CBOs start as a **specialized center** or **technology linkage**. Both models allow you to deliver your curriculum in your own space while maintaining a formal connection to the workforce system.

Operating and Infrastructure Budgets

The MOU includes an Infrastructure Funding Agreement (IFA) that specifies how partners share the costs of operating the one-stop delivery system. Cost-sharing is proportional to the benefit each partner receives and the resources each brings.

Common cost-sharing arrangements include contributions toward shared space, technology infrastructure, front-desk staffing, and outreach materials.

Watch Out

New CBO partners should not accept cost-sharing obligations that exceed the value of the partnership. If the IFA requires you to contribute more than you receive in referrals, visibility, or funding access, negotiate. In-kind contributions – such as staff time, training space, or technology access – are legitimate offsets under 2 CFR 200.306 and should be documented in the IFA.

Programmatic Accessibility and Branding

All MOU partners must comply with ADA accessibility requirements and use the **American Job Center** common identifier in materials and signage related to the one-stop delivery system. This is a WIOA requirement, not optional.

For AI literacy programs, accessibility means ensuring your training materials, digital tools, and physical spaces accommodate participants with disabilities. This includes screen reader compatibility for AI tools, captioned video content, and physical accessibility of training facilities.

Budget for accommodations from the start. Retrofitting accessibility is always more expensive than building it in.

Referral Pathways

A well-structured referral pathway ensures that participants move between your CBO and the workforce system without falling through the cracks. Whether you are a formal MOU partner or an informal referral source, these five steps create accountability on both sides.

1**Designate a referral liaison**

Assign one staff member as the primary point of contact for all referrals to and from the [AJC](#). This person owns the relationship and ensures nothing gets lost between organizations.

2**Establish referral quality standards**

Define what a complete referral looks like: participant name, contact information, services needed, any relevant background, and the reason for the referral. Incomplete referrals waste everyone's time and erode trust between partners.

3**Use state-mandated Release of Information (ROI) form**

Before sharing any participant information between organizations, obtain a signed ROI using your state's approved form. This is a legal requirement. Do not create your own form – use the one your LWDB or state workforce agency provides.

4**Commit to follow-up**

Both the referring and receiving organization should follow up within 10–15 business days to confirm the participant connected and engaged. A referral without follow-up is just a suggestion.

5**Track referral volume and outcomes**

Maintain a simple log of referrals sent and received, including whether the participant followed through and what service they received. This data is essential for demonstrating partnership value to the LWDB and justifying continued collaboration.

Approaching Your LWDB

The initial outreach sets the tone for the entire relationship. Below are three sample scripts for the most common entry points. Adapt the language to fit your organization, but keep the core structure: who you are, what you offer, and what you are asking for.

Initial Email to LWDB Executive Director

Subject: AI Literacy Training Partnership – [Your CBO Name]

Dear [Executive Director Name],

My name is [Your Name] and I am the [Title] at [CBO Name], a community-based organization serving [population] in [city/region]. I am writing because the Department of Labor's AI Literacy Framework (TEN 07-25) has created a new opportunity for workforce boards and CBOs to collaborate on AI literacy programming.

We have developed a [X]-hour AI literacy curriculum aligned with the DOL Framework's five content areas, designed for [target population – e.g., adults with barriers to employment, incumbent workers in healthcare, etc.]. Our program includes hands-on AI tool training, sector-specific applications, and documented skill gain assessments.

I would welcome the opportunity to present our program to you or your staff. We are exploring partnership models including cohort contracting under WIOA §134(c)(3)(G)(ii) and would value your guidance on how best to align with [LWDB Name]'s priorities.

Could we schedule a 30-minute conversation in the next two weeks?

Thank you for your time.

*[Your Name]
[Title], [CBO Name]
[Phone] · [Email]*

Follow-Up After a Board Meeting

Subject: Follow-Up – AI Literacy Training for [LWDB Name] Area

Dear [Executive Director or Board Chair Name],

Thank you for the opportunity to attend [LWDB Name]'s board meeting on [date]. I appreciated the discussion about [specific agenda item related to skills training, emerging technology, or workforce priorities].

As I mentioned during public comment, [CBO Name] has developed an AI literacy training program aligned with the DOL Framework (TEN 07-25) that could address the [specific need discussed at the meeting]. Our program is designed for [target population] and produces documented Measurable Skill Gains for WIOA reporting.

I have attached a one-page overview of our curriculum and outcomes. I would welcome the chance to discuss how our program might fit into [LWDB Name]'s training strategy for PY 2026–2027.

*Best regards,
[Your Name]
[Title], [CBO Name]*

Warm Introduction via AJC Staff

Dear [AJC Staff Member Name],

Thank you for connecting me with [LWDB Staff Name]. I appreciate your willingness to make the introduction.

[LWDB Staff Name] – [AJC Staff Member Name] suggested I reach out to you about our AI literacy program. We have been working with [AJC location] on an informal basis, referring participants back and forth for [career counseling / supportive services / job placement]. The results have been encouraging, and [AJC Staff Member Name] thought it would be worth exploring a more formal partnership.

Our program is a [X]-hour AI literacy curriculum aligned with TEN 07-25, serving [population] in [area]. We are interested in discussing how we might formalize this relationship through the LWDB – whether through an MOU, a referral agreement, or a training contract.

Would you have 20 minutes to talk this week or next?

*Thank you,
[Your Name]
[Title], [CBO Name]*

Attending Public LWDB Meetings

LWDB meetings are public. Attending them is one of the highest-leverage activities a CBO can do to build visibility and credibility with the board. Here are five practical tips:

- **Attend before you ask for anything.** Show up to at least two meetings as an observer before making a public comment or requesting a partnership conversation. Board members notice

who is in the room consistently.

- **Review the agenda and minutes in advance.** Most LWDBs post agendas online 5–7 days before meetings. Read them. If AI, digital literacy, or emerging technology training appears on the agenda, prepare a brief comment connecting your program to that discussion.
- **Sign up for public comment early.** Many boards limit public comment time. Arrive early, sign the speaker sheet, and keep your remarks under three minutes. Be specific: who you serve, what you offer, and why it aligns with the board's priorities.
- **Introduce yourself to staff, not just board members.** The LWDB's executive director, program managers, and fiscal staff are the people who will evaluate and manage any partnership. Board members set direction; staff execute it. Build relationships with both.
- **Follow up in writing within 48 hours.** After attending a meeting, send a brief email to the executive director thanking them for the meeting and referencing any relevant discussion points. Attach a one-page overview of your organization and program.

Working with American Job Centers

Once your LWDB partnership is in place, your day-to-day interaction will often be with [AJC staff](#). There are two primary modes of collaboration:

1. **Receiving referrals.** AJC career counselors identify participants who would benefit from AI literacy training and refer them to your program. For this to work, AJC staff need to understand exactly what your program covers, who it serves, how long it takes, and what outcomes it produces. Provide them with a one-page program summary they can keep at their desk. Make it easy for them to refer — a single point of contact, a simple intake form, and a fast confirmation that the participant enrolled.
2. **Co-delivering services.** In some models, your CBO delivers AI literacy training on-site at the AJC or in coordination with AJC programming. This can increase enrollment (participants are already in the building), reduce barriers (no additional travel), and strengthen your visibility within the workforce system. Co-delivery requires close coordination on scheduling, space, and participant tracking — formalize these details in the MOU or a supplemental service agreement.

Key Principle

Go through the LWDB, not AJCs directly. LWDBs control funding, procurement, and provider certification. AJC staff can be advocates and referral sources, but the formal partnership — and the funding — flows through the board.

WIOA Funding Pathways

Key Takeaway

Two paths to WIOA funding: cohort contracting (fast track, within one program year) and ETPL listing (12+ months). Most CBOs should pursue cohort contracting first, then build toward ETPL.

Path 1: Cohort Contracting (Fast Track)

Regulatory Authority

Legal authority: WIOA Section 134(c)(3)(G)(ii) and 20 CFR 680.320. When the local ETPL has insufficient providers, the LWDB may bypass the [ITA/ETPL](#) system and award a direct cohort contract.

Under the standard WIOA model, participants receive an [ITA](#) — essentially a voucher — and choose a training provider from their state's [ETPL](#). But when the ETPL has no providers offering the needed training, the law allows LWDBs to contract directly with a qualified organization. For AI literacy, this exception is the rule: most state ETPLs have zero AI literacy providers listed.

Three Qualifying Conditions

1

Insufficient providers on local ETPL

True almost everywhere. Most state ETPLs have zero AI literacy providers. This is what makes cohort contracting viable right now.

2

Demonstrated effectiveness with barrier populations

Documented track record of serving individuals with significant barriers. This is most CBOs' core competency.

3

Sector-specific training initiative

Training aligned with a sector strategy. Frame specifically: "AI literacy for healthcare frontline workers" not generic "AI literacy."

How to Invoke

1

Document the ETPL gap

Search your state's [ETPL](#), screenshot results showing zero AI literacy providers. This is your threshold evidence.

2

Prepare organizational capacity statement

Track record, demographics served, outcomes data, staff qualifications, AI Facilitator Certifications.

3

Frame sector alignment

Reference your LWDB's Demand Occupation List or Regional Plan. Show how AI literacy connects to in-demand occupations in your local area.

4

Propose to the LWDB

Contact the executive director with a proposal explicitly referencing §134(c)(3)(G)(ii). Name the statute — it signals you know the system.

5

Negotiate the contract

The LWDB issues a direct contract. Terms include cohort size, duration, deliverables, outcome benchmarks, and payment schedule.

Key Point

You do not need to be on the ETPL to get funded. If your local ETPL has no AI literacy providers — and most do not — your LWDB can contract with you directly.

Path 2: ETPL Listing (Long Game)

ETPL listing provides long-term sustainability. Once listed, participants can use their ITAs at your organization without the LWDB negotiating a separate contract each time. The trade-off is time: most states require 12+ months of operational history and documented outcomes before they will approve an application.

1. Operational history

12+ months of continuous operation delivering the training program you are applying to list. Cohort contracts count toward this requirement.

2. Documented outcomes

Completion rates, employment outcomes, and credentials awarded. States want quantitative evidence that your program works.

3. State authorization

Licensure requirements vary by state. Some states exempt short-term, non-degree training programs. Check your state's workforce agency for specific requirements.

4. Refund policy

A written refund policy for participant withdrawals. Must specify timeframes, conditions, and prorated amounts.

5. ADA compliance

Physical and programmatic accessibility. Training locations, materials, and digital tools must accommodate participants with disabilities.

6. Grievance procedures

A written complaint process accessible to all participants. Must include steps for filing, review timeline, and appeals.

The Bridge Between Paths

A successful cohort contract is the single best foundation for an ETPL application. It provides documented outcomes, proven capacity, an established LWDB relationship, and WIOA reporting experience.

Sample Budget

\$50,000–\$100,000

Estimated total range

50-person cohort, 8–12 weeks, hardware-dependent

PERSONNEL

Lead instructor (0.5 FTE × 3 months)	\$12,000–\$18,000
Program manager (0.25 FTE × 3 months)	\$6,000–\$9,000
Career navigator (0.25 FTE × 3 months)	\$5,000–\$7,500

FRINGE BENEFITS

Employer taxes, health, retirement **\$5,500–\$8,300** (24–30% of personnel)

TECHNOLOGY & CURRICULUM

AI platform licenses **\$0–\$3,000** (free-tier tools sufficient)

Device depreciation/rental (15 laptops) **\$3,000–\$7,500**

Printed workbooks **\$500–\$1,000**

FACILITY

Training space (if not CBO-owned) **\$0–\$6,000**

SUPPORTIVE SERVICES

Transportation vouchers **\$2,500–\$5,000**

Childcare stipends **\$2,000–\$5,000**

SUPPLIES

Office supplies, badges, certificates **\$500–\$1,000**

INDIRECT COSTS

10% de minimis (2 CFR 200.414(f)) **\$3,700–\$7,100**

Do Not Skip Supportive Services

Supportive services (transportation, childcare) are often the difference between a participant completing the program and dropping out. Budget for them – they are allowable WIOA costs.

ETPL Application Guidance

When you are ready to pursue ETPL listing, your application will need to demonstrate that your organization is a credible, sustainable training provider. Below are the standard components most states require.

1. Program description

Curriculum overview, total training hours, delivery format (in-person, hybrid, online), and target population. Map your modules to the DOL AI Literacy Framework.

2. Outcomes data

Completion rates, MSG attainment, and employment outcomes. If you have run a cohort contract, this data is already in your WIOA reporting.

3. Staff qualifications

AI Facilitator Certifications, teaching credentials, subject matter expertise, and professional development records.

4. Organizational capacity

Years of operation, populations served, prior WIOA experience, financial stability, and organizational infrastructure.

5. State authorization

Proof of licensure or documentation of exemption. Contact your state's workforce agency early – the licensure process can take months.

6. Participant handbook

Written policies covering attendance, refund, grievance, ADA accommodations, and AI acceptable use. This is both an ETPL requirement and a best practice for program quality.

7. Cost information

Per-participant cost breakdown. If you have a NICRA, include it; otherwise, use the 10% de minimis rate under 2 CFR 200.414(f).

Outcomes & Reporting

Key Takeaway

WIOA programs must track who you served, what they learned, and what happened afterward. For AI literacy, focus on MSG Types 4 (Training Milestone) and 5 (Skills Progression). Design every module's assessment to produce documentable evidence.

PIRL Alignment

The PIRL is the federal data standard that governs how every WIOA participant's information is collected, stored, and reported. Every field your CBO tracks — demographics, enrollment, assessments, outcomes — must eventually flow into the PIRL. Your state workforce agency and LWDB manage the state system, but the data originates with you. If you collect it correctly from day one, the reporting pipeline works. If you do not, you will spend more time fixing data than serving participants.

Key PIRL Elements

MSG-related elements are highlighted with a gold border. The two most relevant for AI literacy programs are marked accordingly.

Demographics

Multiple PIRL elements covering age, race, ethnicity, gender, veteran status, disability status, education level, and English proficiency. Collect at intake using a standardized form.

Enrollment (Element 1811)

Date of the participant's first program session. This is the denominator for MSG calculations – not an MSG type itself.

Record the actual date of first attendance, not the registration date.

MSG: EFL Gain (Element 1800)

Educational Functioning Level gain measured by pre/post validated assessment. Most applicable when AI literacy is embedded in adult basic education.

MSG: Diploma (Element 1801)

Secondary school diploma or recognized equivalent. Rarely applicable as a standalone outcome for AI literacy programs.

MSG: EFL Alternate (Element 1806)

Alternative EFL measurement used when standard pre/post testing is unavailable or inappropriate for the population served.

MSG: Transcript (Element 1808)

Postsecondary transcript or report card. Less common for short-term, non-credit AI literacy training.

MOST RELEVANT

MSG: Training Milestone (Element 1809)

Module completion assessments and AI Facilitator Certification qualify. This is your primary MSG path for AI literacy programs.

MOST RELEVANT

MSG: Skills Progression (Element 1810)

Rubric-scored competency evaluation. Employer validation is the strongest version. This is your strong secondary MSG path.

5 Types of Measurable Skill Gains

Type 1: Educational Functioning Level (EFL) Gain

Pre/post validated assessment demonstrating an increase in EFL. Most applicable when AI literacy is embedded in adult basic education or English language acquisition programs.

Documentation required: Pre-test score, post-test score, instrument name (e.g., TABE, CASAS), and dates of administration.

Type 2: Secondary School Diploma or Equivalent

Rarely the primary outcome for a standalone AI literacy program. May apply if your CBO co-enrolls participants in a GED or high school equivalency program where AI literacy is an integrated component.

Type 3: Transcript or Report Card

Applicable when AI literacy is delivered in partnership with a community college or accredited training provider that issues transcripts. Less common for standalone, non-credit CBO programs.

Type 4: Training Milestone

PRIMARY MSG path for AI literacy. Module completion assessments qualify as Training Milestones. Examples: a written AI explanation (Module 1), a prompt-output pair with annotations (Module 3), an evaluation rubric exercise (Module 4). AI Facilitator Certification for staff also qualifies.

Documentation required: Assessment name, date of completion, score or pass/fail determination, assessor name, and the rubric used.

Type 5: Skills Progression

STRONG secondary MSG path. A rubric-scored capstone where the participant uses AI to complete a sector-specific workplace task. Employer observation is the strongest version – a supervisor watches the participant apply AI skills on a real or simulated work task and signs off on the evaluation.

Documentation required: Evaluation instrument name, date, evaluator name and role, and the score or proficiency level achieved.

Regulatory Note

MSGs must be recorded by the end of the program year (July 1 – June 30). Design every module's Check for Understanding to produce a Training Milestone. Design the program capstone for Skills Progression. This dual approach gives your LWDB two reportable MSGs per participant.

Data Systems

You do not need expensive software. You need four things:

1

Standardized Intake

Same fields, same format, every participant. No improvisation. A missed field at intake becomes a missing data point at reporting.

2

Secure Storage

Password-protected at minimum, encrypted cloud storage preferred. Never store participant PII in personal email, text messages, or unprotected shared drives.

3

Consistent Tracking

Designate one data lead. Enter data within 48 hours of each session. Reconcile weekly. The longer data sits unentered, the less accurate it becomes.

4

LWDB Coordination

Ask your LWDB for their preferred data format during MOU negotiation. Adapting to their system from day one saves weeks of reformatting at year-end.

Warning

Do NOT rely on informal spreadsheets. A personally formatted spreadsheet with inconsistent columns and merged cells will cause errors when transferred to the state system. Use a standardized template with locked column headers and data validation rules.

Participant Tracking Template

The following fields represent the minimum data set your CBO should track for each participant. Adapt column names to match your LWDB's preferred format.

Required Fields

- Participant ID
- Last Name
- First Name
- Date of Birth
- Gender
- Race
- Ethnicity
- English Proficiency
- Education Level
- Veteran Status
- Disability Status
- Enrollment Date
- Modules Completed
- Assessment Scores
- MSG Type Achieved
- MSG Documentation
- MSG Date
- Credential Earned
- Employment Status at Entry
- Employment Status at Exit
- Employer at Exit
- Occupation at Exit
- Follow-Up Date
- Follow-Up Outcome

Equity Reporting

Disaggregating your outcome data by demographic subgroup is not optional – it is required by WIOA and it makes your program stronger. Three reasons:

Federal Reporting

WIOA performance indicators are reported by demographic subgroup. Your LWDB will need disaggregated data regardless of whether you volunteer it.

Program Quality

Disaggregation reveals gaps. If completion rates drop for limited English proficiency participants, that is not a participant problem — it is a program design problem you can fix.

Funding Competitiveness

"We served 50 participants, 60% long-term unemployed, 85% achieved MSG" is a stronger funding narrative than "We served 50 participants."

Outcome Summary Template

Produce this summary within 30 days of each cohort's completion. It serves as both your internal quality check and your deliverable to the LWDB.

Cohort ID: ___

Enrollment Dates: ___ to ___

Total Enrolled: ___

Total Completed (80%+ attendance): ___

MSG Attainment (any type): ___ / ___ (___%)

MSG Type 4 (Training Milestone): ___

MSG Type 5 (Skills Progression): ___

Credential Attainment: ___

Employment at Exit: ___

Median Earnings at Exit: \$ ___

Demographics Served: ___

Equity Note: ___

Data Timeline

1

Before Launch

Finalize intake forms, tracking templates, data security protocols, and [ROI forms](#). Confirm the preferred data format with your LWDB.

2

At Enrollment

Complete intake form, administer pre-assessment, and obtain signed ROI from every participant.

3

After Each Session

Update the tracking template: attendance, modules completed, assessment scores. Enter data within 48 hours.

4

At MSG Achievement

Document the evidence immediately: assessment name, score, date, and assessor. File the supporting artifact (rubric, signed evaluation, test score report).

5

At Program Completion

Collect exit data: employment status, employer name, occupation, credential earned. Administer post-assessment if applicable.

6

Within 30 Days of Cohort End

Produce the outcome summary. Transmit all data to the LWDB in their required format. Resolve any discrepancies before submission.

7

By June 30

Ensure all MSGs are documented and transmitted for the program year. Reconcile your records with the LWDB's state system. This is the hard deadline — undocumented MSGs after this date do not count.

8

90 Days Post-Exit

Conduct follow-up: employment retention, wage changes, further education or training enrollment. This data feeds WIOA's long-term outcome indicators and strengthens future funding applications.



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