State of Michigan

Two-Year Strategic
State Workforce Investment Plan

For

Title I of the Workforce Investment Act of 1998
And
The Wagner-Peyser Act

July 1, 2007, through June 30, 2009

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Plan Development Process

1. **Describe, in one page or less, the process for developing the State plan. Include a discussion of the involvement of the Governor and the State Board and a description of collaboration with economic development, education, the business community, and other interested parties.**

   The State of Michigan's original plan development was a collaborative effort between the Governor appointed State Board: Council for Labor & Economic Growth (CLEG) and the Michigan Department of Labor & Economic Growth (DLEG). The DLEG encompasses all of the state's job development, workforce development, and economic development into one centralized agency. Input was also sought for the original plan and the modifications from individuals representing education, local workforce development systems, human services, business and industry, and other interested parties whose expertise correlated with plan components.

   The state's goals and initiatives, as developed by the Governor, shape all state policies and strategies presented in the State Plan. Solicited plan information and all necessary modifications were collected by the DLEG staff and compiled into a working document specifically tailored to Michigan's workforce investment system.

   The final draft State Plan was approved by the CLEG at its March 5, 2007, meeting. The unique and diverse composition of the CLEG ensured that all facets of the State's workforce investment system had a voice in the final plan and that the plan itself represents a comprehensive strategy for attaining the Governor's goals and initiatives.

2. **Describe the process the State used to make the Plan available to the public and the outcome of the State's review of the resulting public comments.**

   The draft State Plan was posted electronically to the DLEG's website and included instructions on how comments may be submitted.

   The DLEG did not receive any public comments during the plan development process. The CLEG is confident that the aforementioned strategies provided sufficient venues to engage the public and interested parties in the process.

I. State Vision

Describe the Governor's vision for a statewide workforce investment system. Provide a **summary** articulating the Governor's vision for utilizing the resources of the public workforce system in support of the State's economic development that address the issues and questions below. States are encouraged to attach more detailed documents to expand upon any aspect of the summary response, if available.

I.A. What are the State's economic development goals for attracting, retaining and growing business and industry with the State?

The Governor has outlined seven roadways to "Grow Michigan's Economy" by attracting and keeping businesses that create good jobs. They are:

1. Retain Business: The state must address the issues that most threaten the businesses that made us great; the manufacturers who dream, design, and deliver quality products to the world.

2. Attract Entrepreneurs: In addition to retaining the businesses that are already here, the state must also grab the attention of entrepreneurs. Three new funds were created to leverage federal and private dollars for starting or expanding a 21st century business:

    a. The Emerging Business Fund will help high tech firms turn research conducted at Michigan universities into commercial products.

    b. The Venture Michigan Fund will give technology start-ups in the Technology Tri-Corridor access to the venture capital they need to become successful job producing businesses.

    c. The Small Business Growth Fund will give our small and medium-sized firms access to capital to help them create new business and employment opportunities.

3. Develop A 21st Century Workforce: Businesses need more than access to capital, they need a flow of human capital - a skilled workforce to give Michigan's businesses an edge when competition is fierce and margins are tight.

4. Create Cool Cities: Michigan's greatest economic successes have always been tied to the creative and productive power of our cities. The state will grow our economy by spurring strong regional economies anchored by cool cities and target existing resources to support local efforts to create vibrant cities and expand access to the technology that drives our "knowledge-based" economy (www.coolcities.com).

5. Education: The state's education system remains one of its most powerful economic tools. Businesses want highly skilled, value-oriented citizens who will be successful in life and in the new knowledge-based economy.

6. Make Health Care More Accessible and Affordable: Few things affect the quality of life and the quality of work more than good health. Making health care more accessible and more affordable for the people of Michigan will make our economy stronger.

7. Make Michigan a National Leader in Protecting its Environment: Both business growth and environmental protection must flourish to improve quality of life and attract good jobs to the state.

In addition to the aggressive initiatives to "Grow Michigan's Economy" outlined above, the Governor is committed to build on every success and aggressively go after new opportunities. Specifically, the governor calls for:

1. Continuing to go anywhere and do anything to bring good jobs to Michigan, including further missions to bring more private investments and job opportunities back to the state.

2. Diversify the economy with a particular focus on the alternative energy sector. While alternative energy companies are already choosing Michigan for their growth, the Governor called for targeting more than $100 million in state and private resources to even more aggressively attract these high-growth companies.

3. Training the workers hardest hit by outsourcing. The Governor will offer a one-time opportunity for displaced workers to attend a Michigan community college for free to receive training in a high-demand field.

4. Nurturing the growth of small businesses. The Governor has made more capital and start-up funds available to small businesses. She called for passage of her plan to make 401(k) plans available to small business employees at little or no cost.

5. Requiring government to do business differently. The Governor proposed changes to the prison system that will make more efficient use of taxpayer dollars while protecting public safety. She proposed requiring local communities and school districts to share some services and save money, and she is increasing the number of workers protecting Michigan children, giving those workers new and better tools and requiring accountability for their work.

6. Investing in education. The Governor called for additional investment in our schools to build on the positive steps already taken. The Governor called on the Legislature to make kindergarten mandatory, raise the dropout age to 18, and for new investment to dramatically expand access to preschool. The Governor also proposed creating Promise Zones to allow local communities to capture tax revenue to help fund college scholarships similar to the Kalamazoo Promise.

7. Preparing all students for success. The Governor believes in the promise of public education and that every child should have the opportunity to attend college or get technical training. All high school students will now be required – for the first time – to complete a rigorous curriculum. A new Merit Scholarship Award will

guarantee a $4,000 scholarship to all Michigan students who continue their education beyond high school.

I.B. **What is the Governor's vision for maximizing and leveraging the broad array of Federal and State resources available for workforce investment flowing through the State's cabinet agencies and/or education agencies in order to ensure a skilled workforce for the State's business and industry?**

Michigan recognizes that no issue is more central to its economic vitality than the strength and innovation of its workforce. Subsequently, strategic workforce investment must be at the heart of the state's economic development strategies. The Governor has charged the Department of Labor & Economic Growth (DLEG) with promoting economic growth, stimulating job creation, and enhancing the quality of life for Michigan citizens by making Michigan a cost-effective, high-quality magnet state. The state's prosperity will be determined by its ability to maximize and enhance its resources.

To achieve this vision, the state must:

1. Organize state government to support integrated economic and workforce development.

   Michigan has consolidated its strategic workforce and economic development leadership within the DLEG to create a new economic vision. The creation of DLEG was the first step in aligning policy, management, and resources in support of the Governor's strategic agenda.

2. Grow Michigan's economy.

   Michigan must advance its position as a corporate headquarters location or "decision center," a research and development center, and an advanced manufacturing center within key global industries. DLEG's policies must contribute to the creation of jobs and healthy companies in the state in manufacturing and other important industries such as healthcare, life sciences, and homeland security. A primary goal is to enhance the productivity and competitiveness of Michigan's businesses. As a component of this plan, DLEG supports the development of regional planning and regional skills alliances, to promote a coherent means of addressing local employer concerns about worker shortages, skill shortages, training mismatches, and other workforce challenges.

   To this end, Michigan realizes that to successfully transform the state into a 21st Century global economy leader, bold steps must be taken to transform communities, companies, and citizens. To succeed, the state, companies, unions, and local leaders must work collaboratively in new and different ways to build a workforce that can embrace innovation, support the development of new industries, and strengthen and grow our economy. Michigan Works! Agencies (MWAs) were asked to lead multi-stakeholder teams to develop and plan the implementation for comprehensive regional strategies that:

- Develop a new regional rapid response model involving coordinated activities to address layoff response, prevention, and build business competitiveness.

- Implement a new Skills Information Model to develop accelerated training programs.

- Focus on developing, attracting, and retaining talent to build and support the 21st Century economy.

The 21st Century Initiative is a key element of the state's workforce strategy. Its overarching purpose is to build strong regional economies in Michigan. The goals of the initiative are to:

- Prevent Michigan's traditional industries and jobs from leaving the state by adopting a layoff aversion strategy.

- Support community-led efforts to address plant closing and layoffs through the development of strategies that link workforce and economic development.

- Create regional workforce development teams to implement these strategies and make a successful transition to new markets, new jobs, and new work skills.

The state provided Workforce Investment Act (WIA) funding to MWAs to build regional partnerships that include many stakeholders within regions that are self-defined by the applicants. Thirteen regional partnerships have been formed. Stakeholders are diverse and include workforce board chairs and executive directors, community college and public university presidents, K-12 superintendents, economic and community development leadership, culture and arts organizations, early childhood education resource groups, multipurpose collaborative bodies, and other community-based organizations.

Each participating MWA was eligible for up to $50,000 of funding, and MWAs that unite with others to form regional partnerships were eligible to receive a ten percent bonus. Partnerships will be receiving ongoing technical assistance support from the DLEG, the University of Michigan, other state agency partners, and external organizations.

Furthermore, Michigan was the only state in the nation to have two first-generation Workforce Innovation in Regional Economic Development (WIRED) proposals funded. The Mid-Michigan Innovation Team and the West Michigan Workforce Innovation Lab each was awarded a total of $15 million over a three-year period. Initially, Southeastern Michigan was also named a "virtual" WIRED designee and received a $100,000 grant. However, through the second-generation of funding, Southeastern Michigan was awarded a total of $5 million.

Through the implementation of the WIRED initiative, the state will transform regional economies by enlisting the skills of the numerous and varied players in those economies to research and produce long-term strategic plans that prepare workers for high-skill, high-wage opportunities in the coming years and into the next decade. The

three WIRED projects are included as part of the 13 regional partnerships created under the 21st Century Workforce Initiative.

At the state level, the Council for Labor & Economic Growth has developed a common vision for workforce development in Michigan, SOLUTIONS for Michigan's 21st Century Workforce. The guiding values offered by SOLUTIONS serve as critical factors toward making certain that Michigan's workforce is meeting the job needs of today and tomorrow. SOLUTIONS highlights many key factors, such as: creating new businesses, providing a business friendly climate, transforming our educational and training systems, and developing a statewide culture that includes people of all types and abilities. The regional strategies developed under the 21st century initiative should be consistent with the values of SOLUTIONS. Attachment D contains the SOLUTIONS' values.

3. Increase the ability of Michigan's citizens to remain employed, advance their skills, and find new jobs.

   For too long, Michigan's unemployment system has encouraged workers who have lost their jobs due to outsourcing and globalization to wait for a better opportunity to come along. By redirecting the state and federal dollars already used for worker training programs, Michigan can open wide the doors of education and training to every displaced worker in Michigan who needs it.

   The Governor's No Worker Left Behind (NWLB) plan (www.michigan.gov/nwlb) will help more than 100,000 displaced workers by:

   a. Providing up to two years free tuition at any Michigan community college or other approved training program; and

   b. Allow displaced workers to receive needed training in high-skills while receiving unemployment benefits.

   To qualify for the NWLB program, displaced workers will need to take a skills assessment test administered by the MWAs. Qualifying workers must pursue an Associate degree, or attend a technical training program in a high-demand occupation, emerging industry, or entrepreneurship program. High-demand occupations vary from region to region; however, some common examples include healthcare, accounting and bookkeeping services, information technology, auto service technicians, and mechanics.

   Additionally, to ensure that Michigan adequately addresses both the current nursing need and the growing future need, the state must do more to expand the number of faculty in the state's nursing programs, increase clinical placement opportunities, and provide accelerated degree programs for workers choosing nursing as a second career.

   In her 2007 State of the State address, the Governor unveiled the Michigan Nursing Corps to address these needs. In the next three years, Michigan will train over 500 additional nursing faculty and graduate more than 3,000 additional nurses.

Michigan will reach this bold goal by building on the Governor's existing initiatives. The Michigan Nursing Corps initiative will:

a. Accelerate training of master-prepared nursing faculty through nationally accredited programs in Michigan.

b. Accelerate training of doctoral-prepared faculty through nationally accredited nursing doctoral programs in Michigan.

c. Accelerate training of staff nurses prepared as clinical faculty using a common statewide curriculum developed by accredited grantee institutions. This training will allow for additional clinical placements for nursing students in an effort to eliminate the current 3-5 year backlog of clinical placements required for graduation.

d. Recruit Michigan's displaced workers holding a Bachelor Degree in Science for admission to accelerated, one-year programs in accredited Michigan nursing programs.

Participants in all of these programs must commit to working and teaching in Michigan.

Furthermore, the Governor created the Lieutenant Governor's Commission on Higher Education and Economic Growth, chaired by the state's lieutenant governor. The 41-member commission was charged with identifying strategies to double the number of Michigan residents with degrees and other postsecondary credentials of value within ten years, to improve the alignment of Michigan's higher education institutions with emerging employment opportunities in the state's economy, and to build a dynamic workforce of employees who have the talents and skills needed for success in the twenty-first century.

The commission provided recommendations to the Governor in a final report on December 31, 2004. The DLEG is guided by these recommendations as it implements new educational programs in the state that will educate and train its future workforce. Some examples of these new programs include:

a. Implementing Entrepreneurship Educational Curriculum that will transfer from secondary to postsecondary schools. This initiative has resulted in the creation of 266 new articulated programs across 30 Intermediate School Districts, 262 high schools, 19 community colleges, and 6 universities across Michigan.

b. Implementing Adult Education Distance Learning Pilots in four areas of the state. These pilots will serve those most in need by targeting adult learners who are dropping out of school and receiving public assistance through the Work First program. Through distance learning, participants first learn essential workplace skills that will allow them to re-connect with the workforce and regain their independence, earn their General Equivalency Diploma (GED), and then be encouraged to enter community college. As of June 2006, 170 individuals enrolled in the program, 5 students passed the GED exam, 102 students were at

various stages in their GED preparation; and 41 students either enrolled in or expressed the intent to enroll in, postsecondary education. These students are still being tracked and final outcomes will be available in the summer of 2007.

In addition, the DLEG has three career education programs that will impact workforce investment: adult education, career and technical education (CTE), and community colleges.

DLEG's Perkins' programs provide CTE in our state's high schools and community colleges as follows:

a. Career and Technical Education – Secondary Schools

CTE programs in the high schools are required to collaborate with their local Workforce Development Boards (WDBs) to ensure the availability of trained workers that meet workforce demands. Each of the 25 WDBs have an Education Advisory Group comprised of high-level educators and administrators to advise the WDBs of the educational needs within their regions. All high school CTE programs must have a local industry advisory group for each program to validate industry standards within their program curriculum and instructional equipment updates.

b. Career and Technical Education – Postsecondary Schools

Michigan has 28 public community colleges, 1 tribal college, and 3 eligible universities that prepare over 185,000 postsecondary students in quality, comprehensive occupational education programs. The priorities are identified through Michigan's State Plan for Vocational and Technical Education. A special emphasis has been placed on entrepreneurship, services for disadvantaged students, and program improvement based upon improvement plans developed from the core performance indicators.

The DLEG also administers state and federal programs for postsecondary students to access proprietary schools, veterans' education approval agencies, and private colleges or educational corporations. State government programs are administered to universities to increase participation of under-represented students and faculty members. Federal Gaining Early Awareness and Readiness to University Programs (GEAR UP) are administered to those participating school districts and universities serving the highest concentration of low performing K-12 students.

c. Adult Education

Adult Education also plays an integral role in ensuring a skilled workforce. The WIA Title II and State School Aid Act support adult education programs for GED, Adult Basic Education, High School Completion, and English as a Second Language (ESL). The programs assist adults to obtain, retain, and improve their job training skills and work-related goals.

I.C. **Given the continuously changing skill needs that business and industry have as a result of innovation and new technology, what is the Governor's vision for ensuring a continuum of education and training opportunities that support a skilled workforce?**

Under Governor Jennifer Granholm, Michigan is pursuing a seven-point plan to boost its economy. Major goals include retaining businesses, attracting entrepreneurs, developing a 21st century workforce, and improving education. The Governor's vision for increasing training opportunities to address the continuously changing skill needs that business and industry have as a result of new technology and innovation were outlined as part of her 2004 State of the State address.

As part of her overall vision, the Governor supports the formation of Michigan Regional Skills Alliances (MiRSAs[1]) through startup grants and state-supplied technical assistance to build and maintain the initiative. Michigan's MiRSA initiative (www.michigan.gov/rsa), is a unique state government-led, and foundation supported, effort. MiRSAs are locally managed partnerships formed to address workforce issues affecting firms operating in the same industry in a distinct geographic area. Among the challenges the MiRSAs set out to resolve are: worker shortages, skill shortages, training mismatches, employee recruitment and retention, and organizational design.

To date, approximately $3 million in grants have been awarded to support a total of 31 new or expanded MiRSAs[1].

The objective of the MiRSA initiative is to assist local areas in the development of industry-based partnerships that will promote the economic health and welfare of regional area businesses and workers. Firms that continuously upgrade the skills of their employees are more likely to remain competitive and healthy. As industries in the region prosper, they tend to attract suppliers that benefit from the proximity to their customers and similar businesses benefit from the availability of skilled workers. Stimulating the development of MiRSAs supports the overall goal of providing Michigan employers with a highly skilled workforce and Michigan citizens with careers with good wages and increased opportunity.

The majority of the MiRSAs are administered and facilitated by a local MWA or a group of MWAs. The MWA(s) acts in part as an organizer and as a partner with the necessary expertise to engage all appropriate public and private stakeholders in collaborative problem solving. This facilitation ensures that the state's public workforce investment system, with all of its partners and resources, collaborates to meet MiRSA initiative objectives. Furthermore, due to the MWA's role in the initiative, the system as a whole benefits from an increase in employers' exposure, use of, and participation in the local workforce system, as well as an increase in the system's pool of available job seekers.

[1] Michigan Regional Skills Alliances and MiRSA are Service Marks of the Department of Labor and Economic Growth/Bureau of Workforce Programs.

Another component of the Governor's overall vision addresses developing the workforce of tomorrow. Between now and 2012, it is expected Michigan will have a shortage of 300,000 workers with the skills needed to fill jobs in the building trades, nursing, and health care fields. Over 100,000 of these vacancies exist today. Michigan must revolutionize job training by raising expectations for all to attain college degrees, and by equipping workers with the skills needed in this new economy.

To this end, the state was awarded, and is currently implementing, three regional WIRED initiatives. The state's three WIRED initiatives are:

1. WIRED West Michigan – WIRED West Michigan is an initiative of the West Michigan Strategic Alliance (WMSA), a regional leadership organization covering seven counties in West Michigan. Under the WIRED initiative, WMSA will develop and manage an "innovations lab" designed to spawn a wide range of innovations in their regional workforce development system. The WMSA is committed to the following operating principles:

   - Use of a disciplined development process (paralleling the product development process used by world class manufacturing companies) to move innovations from concept, to business plan, to prototype, and to launch.

   - A commitment to the development of sustainable business models that is financially viable over the long term under existing resource constraints.

   - A focus on genuine innovations that create new business models that produce improvement in performance with the same or lower resource requirements.

   - A focus on workforce development systems change that supports workers and companies competing in the innovations economy.

   There are four categories of innovations pursued under this initiative:

   - Market Intelligence initiatives designed to better understand the detailed structure of regional employment clusters and the emerging requirements for the innovation economy.

   - Innovation WORKS, which will bring together all of the region's initiatives focused on building awareness and knowledge about innovation, implementing innovation systems in regional companies, and developing innovation skills in our current and emerging workforce.

   - Workforce System Transformation initiative designed to restructure key elements of our workforce development and education system for emerging, existing, and transitional workers.

   - Enterprise Development initiatives designed to stimulate entrepreneurship and new business creation in key sectors of the innovation economy.

2. Mid-Michigan Innovation Team (MMIT) – MMIT is a network of community leaders representing education, business, and economic and workforce development from across the region. The overall project has one central objective, to catalyze regional economic transformation, creating better opportunities for more Michiganders who are better equipped to take advantage of them. The MMIT aspires to help mid-Michigan firms, inventors, investors, and aspiring entrepreneurs reinvent their economy by fostering innovation wherever they find it, connect ideas and assets, and engage people within and across communities.

The MMIT is organized around three primary goals:

- Innovation – Reinventing our industrial base around innovation to seed economic activity in Michigan's future industries, accelerate growth in Michigan's entrepreneurial firms, and build strong networks.

- Talent – Developing next-generation talent through learning, including business-based learning opportunities for workers and students, increased region-wide training opportunities in key industries (current and emerging), and communication and engagement with people, firms, and communities about current and emerging opportunities in Mid-Michigan.

- Collaboration – Asset-building through connections and partnerships. Specifically, identifying and building key assets in the region and making them available and accessible to the region, influencing the way key institutions and organizations work within the region, and supporting and promoting learning and networking at all levels in the region.

3. Southeast Michigan Innovation Alliance (SEMIA) – The SEMIA will bring together nine counties and other community-based organizations under an equal-partnership umbrella to provide mutual support, guidance, and resources relating to the WIRED's implementation. The SEMIA's ultimate goal is to set regional priorities and develop a joint action plan to confront weaknesses and maximize strengths, with special emphasis on infrastructure, diversity, education, and innovation.

To address the region's current workforce skill level and to drive innovation, SEMIA will focus on problems-based learning in K-12 math and sciences. Understanding that communities with the greatest levels of high-education achievement tend to be most innovative and prosperous, SEMIA challenges a regional cultural belief that higher education is "not essential." The SEMIA will create incentives for lifelong learning, including college credit for adult education, and formal recognition of skills achievement through certification.

So that innovation yields jobs, SEMIA will foster a culture of entrepreneurship, targeting each social layer. This includes education at the secondary and post-secondary level. For those who already have taken the "entrepreneurial leap," SEMIA will support infrastructure, including relevant online technical training and individualized coaching for second-stage entrepreneurs; peer-to-peer network

development; entrepreneurship resource mapping with results presented through an online portal; seeding innovation collaboration centers; and an early-stage gap fund, with coaching and support to ensure venture success.

The last major strategy involves a modernization of economic development practices. The approach will help companies find partners for new technology development, application of existing technology in new ways, or finding particular needed technologies. Economic development will become a partner in business development for innovative firms. The strategy integrates a massive support system to help companies transform and maximize their potential, including incumbent workforce training and access to skilled workers, research and development, business process improvement, legal, financial, and other support.

The state has, and will continue to work closely with, each of the WIRED grantees as projects are developed and implemented. This on-going systematic coordination includes technical assistance to grant applicants during the application phase and technical support to ensure proposed strategies are in alignment with the state's vision for transforming into a 21st Century global economy. Through this assistance and coordination, regions are better able to identify opportunities to align resources with regional priorities, and will better position themselves to receive additional federal and state resources.

In addition to the MiRSAs and the WIRED projects, the following initiatives will also help achieve the Governor's vision for ensuring a continuum of education and training opportunities that support a skilled workforce:

- 21st Century Workforce Initiative: The overarching goal of the initiative is to develop coordinated regional planning to help Michigan regions build stronger regional economies. The successful coordination of workforce development, economic development, and community development strategies will help transform our state into a 21st century global economy. Stakeholders in 13 regions, which includes the state's three WIRED initiatives, have been convened to address immediate workforce needs, such as adoption of a lay-off aversion strategy, supporting community-led efforts to address plant closings and lay-offs through linking economic and workforce development, and creating regional workforce development teams to implement these strategies and make successful transitions to new markets, new jobs, and new work skills.

- MI Opportunity Partnership (www.michigan.gov/miop): Partnership objectives for the first year were to place 30,000 unemployed people into jobs and contact 35,000 employers to identify job openings. Partnership objectives for the second year are to place 40,000 unemployed people into jobs; contact 35,000 employers to identify job openings; and accelerate training for jobs in healthcare and skilled trades.

- The previously described Michigan Nursing Corps: Please reference Section I.B.

- Use of WIA Rapid Response Reserve Funding to Support Incumbent Worker Training Programs through MWAs: The MWAs must link incumbent worker training to identified priority industry sectors in their local area. Priority industries are identified as industries that contribute significantly to the local economy as

verified by the use of labor market information and other appropriate sources of information such as MiRSA, WIRED areas, and 21st Century Workforce regions.

- Career Transition Program (CTP): In partnership with the Michigan Credit Union League (MCUL), the DLEG will support credit union members in their efforts to obtain advanced training for a new vocation, trade, or occupation through MCUL's issuance of unsecured educational loans. The DLEG will make available up to $1.5 million in WIA statewide activities funding for textbook reimbursement to those individuals participating in the CTP.

- Road Construction Workforce Development Program Statewide Partnership Committee: The vision of the Road Construction Workforce Development Program is to provide a sustained road construction workforce of diverse, trained, and certified individuals. The program will work to equip a diverse pool of Michigan residents with the skills for sustainable employment in the road construction industry and identify, leverage, and maximize state, federal, and local resources to create a sustainable process for supplying a qualified, diverse pool of highway construction workers. The Statewide Partnership Committee includes representatives from the DLEG, Michigan Department of Transportation (MDOT), Office of Community and Faith-Based Initiatives, Federal and state Apprenticeship programs, Education, Unions, Michigan Works! Association, and other community-based organizations.

  The goals of the program are:

  - Identify key issues impacting the development and growth of Michigan's road construction industry workforce.

  - Develop policies and strategies to address local participation in job training and employment opportunities for minority, female, and economically disadvantaged individuals in the building of federally funded transportation projects in low-income communities with high unemployment.

  - Develop a statewide program for pre-apprenticeship and apprenticeship training for women, minorities, and economically disadvantaged persons in road construction trades.

  - Develop a regional blueprint for collaboration and cooperation by local workforce development agencies, community-based organizations, contractors, unions, high schools, community colleges, and other stakeholders.

In addition, the Governor's vision will be further realized through the creation of the Lieutenant Governor's Commission on Higher Education and Economic Growth. The Commission is charged with identifying strategies to double the number of Michigan residents with degrees and other postsecondary credentials of value within ten years, to improve the alignment of Michigan's higher education institutions with emerging employment opportunities in the state's economy, and to build a dynamic workforce of employees who have the talents and skills needed for success in the twenty-first century. The Commission's report was issued in December 2004 with the following recommendations:

- Make higher education universal;
- Set high expectations for high school students through rigorous standards and curriculum;
- A new high school assessment;
- Create a culture of entrepreneurship;
- Implement new strategies for high school success;
- Equip educators and administrators to support the high-expectations high school path;
- Create community compacts for educational attainment;
- Improve institutional completion measures;
- Expand access to baccalaureate institutions and degrees;
- Expand opportunities for "Early College" achievement;
- Improve transfer process and award dual degrees;
- Increase the number of post baccalaureate professionals;
- Conduct an analysis of higher education capacity needs;
- Create an emerging economy initiative;
- Commercialize more research;
- Align Postsecondary education with economic needs and opportunities;
- Expand the role of higher education institutions in community development; and
- Develop a lifelong education tracking system.

As previously noted, the Governor believes in the promise of public education and that every child should have the opportunity to attend college or get technical training. All high school students will now be required – for the first time – to complete a rigorous curriculum. A new Merit Scholarship Award will guarantee a $4,000 scholarship to all Michigan students who continue their education beyond high school.

I.D. **What is the Governor's vision for bringing together the key players in workforce development including business and industry, economic development, education, and the public workforce system to continuously identify the workforce challenges facing the State and to develop innovative strategies and solutions that effectively leverage resources to address those challenges?**

The Governor created the DLEG by Executive Order 2003-18, to centralize and streamline a "One-Stop" agency focused on job creation, workforce development, and economic growth. This consolidation supports the Governor's strategic agenda by:

- Aligning policy across economic development and workforce development;
- Aligning management in the execution of the policy agenda; and
- Aligning resources to optimize finite funding and to ensure that all components of DLEG and the Michigan Economic Development Corporation speak with a unified voice to say that the state is making strategic investments.

DLEG administers the following programs:

A. Workforce Investment Act – Provides workforce services to employers and job seekers including adult, dislocated workers, and youth.

B. Work First – Provides job assistance and training to parents receiving cash assistance.

C. Trade Act – Provides training to workers who have lost their jobs as a result of an increase in imports or shift of jobs to certain foreign countries.

D. Employment Service – Provides labor exchange services for employers and job seekers.

E. Veterans – Provides specialized services that promote employment and training for veterans.

F. Migrant and Seasonal Farm Workers – Provides specialized services to migrant and seasonal farm workers.

G. Foreign Labor Certification – Assists employers in filling their personnel needs that cannot be met with U.S. workers while protecting U.S. workers from competition from low-wage foreign workers.

H. Food Assistance Employment and Training – Provides employment related services to able-bodied individuals without dependents receiving food assistance.

I. Labor Market Information – Develops and disseminates state and local estimates of labor market activity for policy development, program planning, job placement, and career decision making.

J. Unemployment Insurance – Provides Unemployment Insurance benefits to eligible workers.

K. Adult Education – Provides an opportunity for mature students to achieve education levels equivalent to those of high school graduates.

L. Postsecondary – Promotes access to, retention in, and completion of individual student goals in quality community colleges, proprietary institutions, and other postsecondary agencies.

M. Occupational and Technical Preparation – Responsible for major career education initiatives that affect learners K-12 and beyond.

N. Vocational Rehabilitation – Provides training and other services to assist disabled and blind individuals to obtain and retain employment.

O. Economic Development – Partners with local communities to support Michigan's economic development and job creation efforts.

DLEG collaborates with and participates in strategic partnerships with the MWAs, the MiRSA, and other state agencies such as, the Department of Human Services (DHS), the Department of Corrections (DOC), the MDOT, and the Department of Community Health (DCH).

The Governor has established initiatives involving specific partners to develop strategies and solutions for particular areas of concern. These include the MI Opportunity Partnership, Michigan Prisoner Re-Entry Initiative, the Workforce Action Network, the Children's Action Network (CAN), the Lieutenant Governor's Commission on Higher Education and Economic Growth, the Road Construction Workforce Development Program Statewide Partnership Committee, and the MiRSAs. As appropriate, the aforementioned initiatives will be discussed throughout the plan.

I.E. **What is the Governor's vision for ensuring that every youth has the opportunity for developing and achieving career goals through education and workforce training, including the youth most in need, such as out of school youth, homeless youth, youth in foster care, youth aging out of foster care, youth offenders, children of incarcerated parents, migrant and seasonal farmworker youth, and other youth at risk?**

The Governor's vision for ensuring that youth have the opportunities for developing and achieving career goals through education and workforce training begins first by strengthening early childhood development and education programs and training child care workers in Michigan. In this regard, the Governor established a Children's Cabinet, which is comprised of the directors of the DLEG, DHS, DCH, and the State Superintendent of Public Instruction. The cabinet meets monthly with a focus on early childhood development and the strengthening of child care licensing standards and education for early childhood providers.

Further, in May of 2003, the Governor formed the CAN. This network, which cuts across most state departments, recognizes the value of School-Based Service Centers and the role they play in improving access to essential health care, support services, and school performance. The objective of these centers is to provide a unified and holistic

delivery of services to at-risk and multi-system families in a school-based setting by leveraging partnerships among agencies, businesses, faith-based organizations, and communities.

Michigan's School Accreditation System, which is called Education YES! requires that all eighth grade students have an Educational Development Plan, which includes career exploration, career assessment, and selection of a career pathway.

The federal America's Career Resource Network grant provides career information to students statewide. The grant is used in part to support information for students on careers contained on DLEG's Michigan Career Portal website.

DLEG provides adult education funds to the DHS and the DOC for educational services and job training for out-of-school youth and youth offenders (age 16 and above). Through the ESL program, educational opportunities and job training is expanded for the families of migrant and seasonal farm workers. Additionally, adult education funds are used to reach out to persons with special needs, such as low-income students, single parents, displaced homemakers, persons with disabilities, and individuals with multiple barriers to educational enhancement, including those with limited English proficiency.

The federal GEAR-UP program focuses on services to over 40,000 disadvantaged, low-achieving students in seven (7) K-12 school districts and six universities. Students who achieve measured entry-level academic competency gain scholarships to complete baccalaureate degrees.

The Michigan Youth Forum Committee (MYFC), the cross agency state team established in response to the federal Shared Youth Vision Initiative, addresses the needs of youth transitioning into adult roles, particularly those populations identified by U.S. Department of Labor (USDOL) as the neediest youth (www.doleta.gov/ryf). The MYFC is building an infrastructure, both at the state and local levels, to guide economic and social policy in order to connect these youth with high quality education, employment services, and connecting activities. The state anticipates federal designation as a pilot state to further the aforementioned activities.

The Interdepartmental Task Force on Service to At-Risk Youth Transitioning to Adulthood, charged with assessing services to at-risk youth and recommending improvements, issued a report to the Michigan Legislature in September 2006 that addresses barriers to youth transitioning out of foster care. The report outlines 21 initiatives established to overcome barriers, including barriers to education and employment, and to assist foster youth successfully transition into adult roles (http://www.michigan.gov/documents/dhs/DHS-Boilerplate-Task-Force-At-Risk-Youth_174099_7.pdf). As a result of the work of the task force, the National Governors Association (NGA) selected Michigan as one of six states to participate in a policy academy on youth transitioning out of foster care. This experience allowed the NGA state team to further the initiatives of the task force.

Additionally, the state will use the USDOL Foster Youth Demonstration Grant to further realize the Governor's vision regarding youth. The USDOL grant will serve foster youth aging out of foster care, homeless youth, youth offenders (juvenile justice), and other at

risk youth currently in foster care, or individuals who have been in foster care, to successfully achieve independent living status by providing comprehensive services in an environment of high expectations and unconditional support. Those services include, but are not limited to, mentoring services, life skills training, academic remediation, high school completion, GED acquisition, housing assistance, employment and job placement, and retention services.

II. State Workforce Investment Priorities

Identify the Governor's key workforce investment priorities for the State's public workforce system and how each will lead to actualizing the Governor's vision for workforce and economic development.

The Governor has outlined a plan to grow jobs today and jobs tomorrow. The plan will put people to work now, make Michigan a world center of research, home to the high-wage industries and jobs which that research will generate, and make sure youth and adults have the skills they need to take those jobs and build strong families here in Michigan.

To actualize her vision, the Governor has established priorities for the state's workforce system.

MI Opportunity Partnership: There are three interlinked objectives:

1. Place 30,000 unemployed people into jobs by the end of 2005. Place 40,000 unemployed people into jobs by April 30, 2007, and again by April 30, 2008.

2. Contact 35,000 employers to identify job openings by the end of 2005 and 2006.

3. Accelerate training for jobs in healthcare and skilled trades by:

    a. Working with four Michigan Regional Skills Alliances (MiRSAs) and their respective Michigan Works! Agencies (MWAs) to provide fast track training for jobs in healthcare and the skilled trades targeting unemployed individuals in the system.

    b. Use $9,000,000 in Medicaid Disproportionate Share Hospital funds to provide funding for the Accelerated Health Care Training Initiative. The funding is utilized to increase the number of trained and qualified healthcare workers in Michigan. Public educational institutions such as community colleges/universities attached to a Healthcare MiRSA who partner with a hospital in their MiRSA area, are eligible to apply for this funding.

As part of the MI Opportunity Partnership, the state has launched the *Working For Jobs Today!* pledge campaign, which will match job openings with skilled workers, putting people to work now to meet employer demand and strengthen Michigan's economy. Letters from the Governor announcing the *Working For Jobs Today!* campaign were sent to more than 250,000 employers requesting they pledge the number of job openings expected at their company. The company pledge provides notice of their need for skilled workers and the intent to hire. In turn, the state will pledge its partnership to help fill the openings. Employers are instructed to pledge job openings through the MI Opportunity website, www.michigan.gov/jobstoday, or through their local MWA. The placement of unemployed persons into jobs and coordination with employers will be carried out through the MWAs, who have been specially trained to assist in this effort. This coordination allows for expanded exposure of the state's workforce system by employers and jobseekers that may not have utilized the system prior to this initiative or been aware

of all the services available. It is anticipated that by participating in this initiative, employers will continue to look to their Michigan Works! Service Center for help in all their employment needs. In the first 10 days of the campaign, employers throughout the state have pledged 4,555 job openings.

Additionally, the Governor has charged the Department of Labor & Economic Growth (DLEG) with the development of a 21st century workforce, **"Grow Michigan's Economy."** Priorities that will be addressed are:

- DLEG supports 31 MiRSAs that focus on the various employment needs across our state. The goal of the MiRSAs is to connect workers to jobs with a future, and employers to workers with the right skills. Under these alliances, key groups within communities, including local MWAs, work together to identify workforce needs and develop a comprehensive regional and industry-focused strategy to meet employer's workforce needs.

- Developing a 21st Century Workforce Initiative. The overarching goal is to develop coordinated regional planning to help Michigan regions build stronger regional economies. To date, the state has 13 identified regions. Of the 13, three of the regions are the previously described Workforce Innovation in Regional Economic Development recipients.

- Creation of the Michigan Nursing Corps. In the next three years, Michigan will train over 500 additional nursing faculty and graduate more than 3,000 additional nurses.

- DLEG supports improvement for entrepreneurship through the development of entrepreneur curricula in schools and postsecondary institutions.

- Restructuring of the Work First Program into the Jobs, Education and Training (JET) program. The JET program is a partnership between the MWAs, Michigan Department of Human Services, and the DLEG to connect Michigan's families with the kind of jobs, education, and training opportunities that will help them achieve self-sufficiency and meet the workforce and skill needs of Michigan's businesses.

  The JET Program fundamentally changes the way families move off welfare and toward self-sufficiency. Instead of telling those on welfare to "get a job – any job," the program encourages and supports them as they prepare for and get a good job to provide long-term self-sufficiency for their families.

  The JET Program was originally piloted on April 1, 2006, in Kent, Oakland (Madison Heights district), Sanilac, and Wayne (Glendale/Trumbull district) counties. The initial sites are expected to continue operation through September 30, 2007. October 1, 2006, Oakland and Wayne counties were expanded and other locations added to the pilot.

  All families in the affected areas receiving Family Independence Program (FIP) benefits during the pilot period will be included in the self-sufficiency pilots. The goals for the JET Program are to achieve the following results by September 30, 2007:

- Short-term family support will be provided to 10 percent of applicants, reducing the total active cases by 20 percent after 18 months.

- Thirty-four percent of the cases will be closed or reduced after eighteen months.

- Seventy-five percent of the cases that close will not return to the FIP for one year after case closure.

- Ten percent of the participants will raise reading and math skills to the eighth grade level or above, will obtain a high school diploma, or obtain a General Educational Development certificate.

- Fifty percent of those participants obtaining employment will show at least a twenty percent gain in wages compared to their starting employment wage.

By 2008, the state expects to see an increase in earnings for at least 20 percent of participants such that their incomes will be at 150 percent of poverty or higher.

III. State Governance Structure

III.A.1 **Provide an organizational chart that delineates the relationship to the Governor of the agencies involved in the public workforce investment system, including education and economic development and the required and optional One-Stop partner programs managed by each agency**.

Please see Attachment A.

III.A.2. **In a narrative describe how the agencies involved in the public workforce investment system *interrelate* on workforce and economic development issues and the respective lines of authority**.

Executive Order 2003-18, signed on October 2, 2003, created the Michigan Department of Labor & Economic Growth (DLEG). All authority, power, duties, functions, and responsibilities of the Michigan Department of Career Development (MDCD) were transferred to the director of the DLEG. This transfer includes all career and technical services, and all postsecondary and adult education services previously held by the MDCD. The DLEG was created to promote job creation and economic growth in Michigan by centralizing and streamlining the state's job, workforce, and economic development functions under one department.

As Attachment A illustrates, the DLEG also partners with other state departments including the Michigan Economic Development Corporation (MEDC). The MEDC is the state's One-Stop resource for businesses seeking to grow in Michigan. The MEDC assists with expansion, relocation, site location assistance, job training grants, permits, and tax abatements.

Since the state's major agencies overseeing workforce and economic development issues are housed in one department (DLEG), collaboration and coordination are maximized. This coordination is evident in the creation of common strategies and policies that support and grow the Governor's workforce and economic initiatives. Over the next two years, the state will continue to identify areas where collaboration can be improved.

The State of Michigan Legislature, on December 29, 2006, enacted Public Act No. 491, the "Michigan works one-stop service center system act." The Act establishes the Michigan Works! One-stop Service Center System to deliver workforce development programs and services tailored to local needs; provides for Michigan Works! areas; provides for local workforce development boards; provides for education advisory groups; provides for consolidated access to employment and retention programs in one-stop services centers; and prescribes the powers and duties of the Michigan Works! One-stop service center system and of certain state and local governmental officers and agencies. Public Act No. 491 is included as Attachment B.

III.B. ***State Workforce Investment Board***

III.B.1. **Describe the organization and structure of the State Board.**

The enactment of the Workforce Investment Act (WIA) required each state to establish a state Workforce Investment Board (WIB) to oversee workforce development activities. Changes in the structure of the Michigan Workforce Investment Board (MWIB) created under Executive Order 2002-5 were necessary to reflect the current organizational structure of state government and to comply with federal law. Executive Order 2004-36, signed on December 6, 2004, replaces the MWIB with the Council for Labor & Economic Growth (CLEG). Executive Order No. 2006-15, signed July 21, 2006, amended Executive Order 2004-36 by adding the president of the Michigan Strategic Fund.

CLEG is a 77-member board with representation consistent with the provisions of the WIA Section 111 (b).

III.B.2. **Identify the organizations or entities represented on the State Board. If you are using an alternative entity which does not contain all the members required under section 111(b)(1), describe how each of the entities required under this section will be involved in planning and implementing the State's workforce investment system as envisioned in WIA. How is the alternative entity achieving the State's WIA goals?**

The membership of CLEG is as follows:

1. The Governor.

2. Two (2) members of the Michigan Senate.

3. Two (2) members of the Michigan House of Representatives.

4. Appointees of the Governor as follows:

    a. Thirty-nine (39) members from lists of nominees submitted by state business organizations and business trade associations who shall be business owners, chief executive or operating officers, or other business executives with optimum policy-making or hiring authority within their respective business including members of local boards, and shall represent businesses with employment opportunities that reflect the employment opportunities of the state.

    b. Two (2) chief elected officials of local units of government.

    c. Four (4) members representing state labor organizations.

    d. Two (2) members who have experience with respect to youth activities.

e. Nine (9) members who have expertise in the delivery of workforce investment activities who may include the chief executive officers of community colleges or community-based organizations.

f. Five (5) members representing the lead state agencies, or their successor agencies, with responsibility for One-Stop programs, as follows:

   i. The director of DLEG,

   ii. The director of the Department of Community Health (DCH),

   iii. The director of the Department of Human Services (DHS),

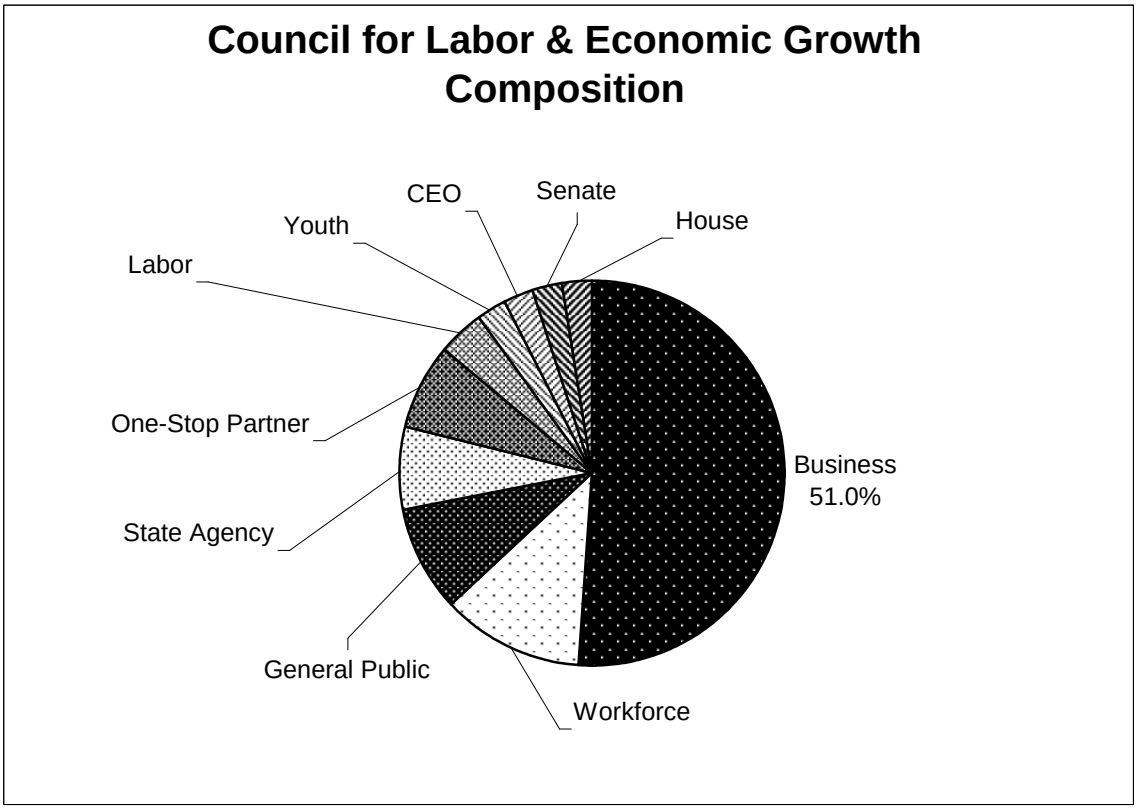
   iv. The Superintendent of Public Instruction, and

   v. The president of the Michigan Strategic Fund.

g. Five (5) members to represent the other One-Stop partners, including representatives of the Department of Housing and Urban Development, the WIA Job Corps program, the WIA Native American programs, the WIA Migrant and Seasonal Farm Workers programs, and the WIA Youth Opportunity Grant programs.

h. Seven (7) members of the general public.

This chart delineates the composition of the CLEG.



III.B.3. **Describe the process your State used to identify your State board members. How did you select board members, including business representatives, who have optimum policy-making authority and who represent diverse regions of the State as required under WIA?**

The Senate Majority Leader appoints members from the Senate. The Speaker of the House appoints members from the House of Representatives. Business leader members are selected from nominees submitted by state business organizations and business trade associations. Individuals from state labor organizations are selected from nominations submitted by State Labor Federations. Additionally, the Governor appoints board members representing other One-Stop partners and members of the general public.

Once appointed, an individual serves only while serving in the office of the respective organization or agency that qualifies them for membership on the board. All members of the Board are individuals with optimum policy making authority and represent geographically diverse regions of Michigan. All Board members shall hold office for terms as follows:

- Of the two Council members initially appointed by the Speaker of the House of Representatives, one member shall be appointed for a term expiring on April 30, 2005, and one member shall be appointed for a term expiring on April 30, 2006.

- Of the two Council members initially appointed by the Lieutenant Governor, one member shall be appointed for a term expiring on April 30, 2007, and one member shall be appointed for a term expiring on April 30, 2008.

- Of the Council members initially appointed by the Governor, approximately 25 percent of the members shall be appointed for a term expiring on April 30, 2005, approximately 25 percent of the members shall be appointed for a term expiring on April 30, 2006, approximately 25 percent of the members shall be appointed for a term expiring on April 30, 2007, and approximately 25 percent of the members shall be appointed for a term expiring on April 30, 2008.

- After the expiration of the initial terms, Council members shall be appointed for four-year terms.

III.B.4. **Describe how the board's membership enables you to achieve your vision described above.**

The Council's members include key leaders from business, labor, the K-12 educational community, community colleges, universities, community-based organizations, local workforce boards, and government. The changes in the structure of the state's WIB facilitates a statewide policy dialogue involving local workforce boards, universities, community colleges, K-12 schools, and other key stakeholders. In addition, to more effectively align workforce and economic development, four members of the Council also serve on the Council of Economic Advisors and three members are also members of

the Executive Committee of the Board of Directors of the MEDC. The diverse expertise of the Council members will help refine and advance Michigan's workforce and economic development strategies.

III.B.5. **Describe how the Board carries out its functions as required in sec. 111 (d) and 20 CFR 661.205. Include functions the Board has assumed that are in addition to those required. Identify any functions required in sec. 111 (d) the Board does not perform and explain why**.

CLEG is advisory in nature and assists the Governor with the following functions:

1. Development of the state's WIA plan.
2. Development and continuous improvement of a statewide workforce investment system involving:
   a. Formation of linkages to assure coordination of effort to prevent duplicative activity among programs and services available through the One-Stop delivery system; and
   b. Review of local plans.
3. Provide comments on the state's performance measures taken pursuant to the Carl D. Perkins Vocational and Applied Technology Education Act.
4. Designation of local workforce investment areas.
5. Development of allocation formulas for the distribution of funds to local workforce investment areas for adult employment and training activities and youth activities.
6. Development and continuous improvement of comprehensive State performance measures to assess the effectiveness of the state's workforce investment activities, including state adjusted levels of performance.
7. Preparation of the state's WIA annual report.
8. Development of the statewide employment statistics system.
9. Development of a WIA incentive grant application and the application process.
10. In addition, CLEG will advise the Governor on broader standards to assess the effectiveness of the broader workforce development efforts that include Michigan universities, community colleges, and K-12 schools, as well as state- and federally-funded workforce development programs. CLEG may provide policy advice across workforce areas, including traditional workforce development, community colleges, career and technical education, and the workforce elements of economic development.

11. As requested by the Governor, CLEG will also advise the Governor and DLEG regarding policies in workforce development, adult education, career and technical education, community colleges, and the workforce elements of economic development. CLEG shall endeavor to develop a unified policy dialogue involving local workforce boards, universities, community colleges, K-12 schools, and other key stakeholders.

The Board will also advise the director of DLEG on the operation of the following programs:

- The Work First Program,
- The Food Assistance Employment and Training Program,
- The Career Preparation System,
- The Trade Adjustment Assistance (TAA) Act, and
- The Adult Education Programs.

The focus of CLEG is to provide direction setting leadership that enhances the WIA emphasis on continuous improvement of the workforce investment system. Continuous improvement of the workforce investment system is accomplished through a contract for a Mystery Shopper (MS) and the Customer Satisfaction Survey.

The MS contract conducts anonymous surveys of all Michigan Works! Service Centers (MWSCs) throughout the state. The surveying is conducted to ensure that each MWSC is providing services to employers and job seekers in accordance with DLEG policies and procedures including, but not limited to, DLEG Policy Issuance 06-01, "Certification Criteria for Michigan Works! Service Centers," Attachment C.

In addition, the CLEG also ensures continuous improvement of the workforce investment system through the review of the Customer Satisfaction Surveys. Required Customer Satisfaction Survey questions are integrated into the One-Stop Management Information System (OSMIS). Reports with the findings are distributed on a quarterly basis to all Michigan Works! Agencies (MWAs) for use in evaluating the Service Center performance.

CLEG will ensure the functions of the state board identified in the Act are carried out. CLEG, in coordination with the Governor, DLEG, and appropriate state agencies, will assess the extent to which state and local programs and services represent a consistent, integrated, and coordinated approach to meeting the state's workforce investment needs. These programs include the WIA, vocational, adult and post-secondary education, rehabilitation services, and other federal, state, and local programs and services.

In addition, CLEG will continue to assess programs using uniform measurements to compare results of different workforce development programs; evaluate the Michigan Career Preparation System; encourage welfare client participation in the workforce, as well as in workforce development programs; recommend methods to strengthen linkages between job training and economic development, and create a seamless, MWSC approach to provide services to workers and employers.

During the upcoming two-year period of this comprehensive plan, CLEG, through its six standing committees within the Council, will address the following:

- Tackling Major Workforce Issues Facing Key Industry Sectors Committee: Address major workforce issues facing key industry sectors by focusing attention on a handful of key sectors and developing strategies that will make a major impact with those employers such as health care and skilled trades.

- Increasing Michigan's Global Competitiveness Committee: Identify strategies to increase Michigan's global competitiveness by examining the extent to which Michigan companies, workers, students, educational providers, and communities are prepared to succeed against peers worldwide, with gaps in that readiness becoming a key focus for ongoing work.

- Increasing Educational Attainment Committee: Increasing educational attainment by providing the lead on the recommendations from the Lt. Governor's Commission on Higher Education and Economic Growth.

- Accelerating Re-Employment/Workforce System Committee: Accelerating re-employment for workers facing job/career transitions by developing strategies to reduce the time, cost, and pain they face.

- Creating a Low Wage Worker Advancement Strategy Committee: Creating low-wage worker advancement strategies and actions that improve the transition of low-wage, low-skilled workers with entry-level jobs to self-sustaining employment.

- Creating a State of Culture of Entrepreneurism Committee: Lead a large scale, long-term repositioning of how companies and workers embrace entrepreneurship to address the state's low ranking on measures of entrepreneurship.

Coordination with the Carl D. Perkins Act and the Adult Education Act is accomplished in several ways. Three members of CLEG represent local public, post-secondary, and vocational education institutions. Additionally, regional applications with the state for Carl D. Perkins dollars for career technical services require coordination with the WIA.

The process of writing the state plan required determinations of the geographical areas, local boards, and allocation formulas. Recommendations for the aforementioned topics were distributed to local MWA officials for review and comment. The designation of the areas, the local boards and the allocation formulas were approved by the previous WIB at its June 9, 1999, meeting.

MWAs must submit performance measure values for each of the 17 WIA performance measures, taking into account previous program year outcomes. The recommended levels must be reasonable and defendable through the analysis of local labor market information (LMI) and must demonstrate continuous improvement. DLEG staff will contact local MWAs and provide assistance where justification is not sufficient to support requested levels. Subsequently, DLEG staff will utilize MWA recommendations to propose the state's performance levels. All WIA performance measures will be presented and approved by the CLEG.

Staff on behalf of CLEG, will develop the annual report to the Secretary, statewide employment statistics, and the application for incentive grants. CLEG will review and approve the aforementioned items.

III.B.6. **How will the State board ensure that the public (including people with disabilities) has access to board meetings and information regarding State board activities, including membership and meeting minutes?**

CLEG is subject to the Open Meetings Act, Act No. 267 of the Public Acts of 1976, as amended, of the Michigan Compiled Laws. Meetings are held only in those facilities, which meet barrier-free specifications and have access to the general basic needs for persons with physical limitations to utilize facilities. These components include parking, building approach, building entry, internal circulation, and other biological needs. Biological needs include drinking fountains and bathrooms. In addition, communication access is provided through the use of telephones, where available. CLEG membership and meeting minutes will be made available in alternative format (large type, audio tape, etc.) upon special request. Public notice is achieved through announcements made within the government newsletter (GONGWER News), mass mailing, notice of meeting published at the DLEG Lansing office and the DLEG Detroit office, and postings on the DLEG website. Meeting minutes will be made available to the public on the DLEG website, in draft form, not more than eight business days after the meeting.

DLEG ensured the State Plan was available to people with disabilities. All state websites under Michigan.gov are designed to be compliant with, and meet the standards of, the Americans with Disabilities Act.

III.B.7. **Identify the circumstances which constitute a conflict of interest for any State or local workforce investment board member or the entity that s/he represents, and any matter that would provide a financial benefit to that member or his or her immediate family.**

All persons serving as members and designated alternate members of any Board, Commission, Agency, Authority and/or Committee (hereinafter a "Board" or "Boards") within DLEG are public officials who have been appointed by the Governor and who have taken the constitutional oath of office. As public officials, Board members shall perform their official duties in a manner that is consistent with DLEG Code of Conduct and the conflicts of interest laws of the State of Michigan, which, as may be applicable to a particular Board member, include the following:

1. Article 4, Section 10 of the Michigan Constitution of 1963.

2. Michigan Incompatible Public Office Statute, MCL 15.181 et seq.

3. Conflicts of Interest Statute, MCL 15.301 et seq.

4. Michigan Contracts of Public Servants with Public Entities Statute, MCL 15.321 et seq. (hereinafter, "Public Servant Act")

5. Standards of Conduct For Public Officers and Employees ("State Ethics Act"), MCL 15.341 et seq.

6. Executive Orders 2003-1 and 2003-19.

Workforce Development Board (WDB) members must assure that their individual interests do not conflict, or give the appearance of conflicting with, their duties while serving in their appointed positions. Conflict of interest requirements must be met as soon as Board members are appointed.

- Conflict of Interest Definition: A conflict of interest is a circumstance in which the member's individual interest impairs, or gives the appearance of impairing, their ability to make unbiased decisions or provide unbiased public services. A conflict of interest is also any matter before the WDB in which a member, or the entity the member represents, has a financial or personal interest, which is in conflict, or gives the appearance of conflict with, the execution of the member's activities. An individual that appears to be motivated to acquire improper influence over the Board also constitutes a conflict of interest.

- Federal Law: WIA, Section 117(g) states:

  A member of a local board may not:

  - Vote on a matter under consideration by the local board regarding the provision of services by such member (or by an entity that such member represents) that would provide direct financial benefit to such member or immediate family of such member; or

  - Engage in any other activity determined by the Governor to constitute a conflict of interest as specified in the state plan.

- Federal Regulations: WIA Regulations, Section 667.200 states:

  a. A local board member, or a Youth Council (YC) member, must neither cast a vote on, nor participate in, any decision-making capacity, on the provision of services by such member (or any organization which that member directly represents), nor on any matter which would provide any direct financial benefit to that member or a member of his immediate family.

b. Neither membership on the local board or the YC nor the receipt of WIA funds to provide training and related services, by itself, violates these conflict of interest provisions.

- Conflict of Interest Examples: A conflict of interest occurs when a WDB member is employed by an organization that receives funds under the direct control of the Board, such as service providers. A conflict of interest may also occur with regards to a WDB employee.

  - A service provider is a business entity or person that contracts with a Board to provide one or more workforce services, including core, intensive, training, or other supportive services. Service providers are precluded from serving on the WDB, except for state agencies, and/or community colleges or universities.

  - WDB employees and employees of agencies who are contracted by the WDB to provide coordination services or administrative functions are precluded from serving on the Board. Coordination is an administrative function that can be provided by WDB staff or contracted to another agency.

- Abstention from Voting: Certain situations may require that the Board member abstain from voting on issues with which they are affiliated and from influencing others on those issues, including:

  - A WDB member serves on a board of another agency that receives funds under the direct control of the WDB and the individual is also an employee of that agency;

  - A WDB member serves on a board of another agency that receives funds under the direct control of the WDB, but is not employed by the agency;

  - A WDB member representing the education sector is a school board member for a district that receives funds under the control of the WDB, but not employed by the school district; and

  Instances of abstentions from voting shall be recorded in the minutes, and shall identify the member(s) abstaining.

- Appearance of Conflict: Occasionally, there is an appearance of a conflict of interest when there is no actual conflict of interest. A WDB member may be associated with an organization that receives funds under the direct control of the Board, but should not be construed as a conflict of interest. Examples include:

  - WDB members that are employed by a company that receives compensation for the extraordinary cost of providing On-the-Job Training to program participants;

  - WDB members that are employed by institutions of learning that receive funds from Training Vouchers or Individualized Training Accounts; and

- WDB member that are employed by a company that participates in the Incumbent Worker Program.

These instances must be reported on the WDB Disclosure Report that describes the extent to which agencies with whom the WDB members are affiliated receive funds controlled by the Board.

- Responding to Requests for Proposals (RFP): WDB members and committee members (individuals serving on WDB committees may or may not be WDB members) representing agencies that are service providers or potential service providers that will be responding to RFPs are not to be appointed to any committee or subcommittee of the WDB that can directly affect the funding of current or potential service providers. Examples of such are proposal and performance review committees.

  If an agency currently represented on a local WDB intends to respond to the bid process for a RFP for delivery of program services, the individual representing that agency must become an "inactive" member at the time of bid submission. The inactive status of a member will be recorded in the meeting minutes. In inactive status, a member does not receive information from the WDB for the duration of the bidding timeline, nor does he/she vote or participate at meetings of the WDB while in inactive status. Quorum policies would be applied to active members of the board. Inactive members may attend a meeting on the same basis as a member of the general public.

  Upon award of a contract, if the member's agency did not win the award, the individual is reactivated as a participating member. If the member's agency is awarded a contract, the member must immediately resign.

III.B.8. **What resources does the State provide the board to carry out its functions, i.e., staff, funding, etc.?**

The DLEG uses an interdisciplinary team approach to providing administrative, operational, technical, and developmental staff support to the CLEG. The Advisory Administration Unit (AAU) is comprised of full-time DLEG personnel and adjunct staff from other state departments possessing a broad range of expertise in workforce, education, economic development, human services, and state workforce board support, delivering a high level of professional events planning, logistics coordination, agenda development, and workgroup facilitation.

The AAU also provides support to CLEG's six standing committees, works with local workforce boards on their capacity development and accountability, and is responsible for the certification of the approximately 100 MWSCs. The AAU also provides support to the various advisory groups and works with local workforce boards on their capacity development and accountability.

Annually, a portion of the Governor's reserve 15 percent statewide workforce investment activities funding is allocated for staffing and other expenses necessary for CLEG to carry out its functions.

III.C. ***Structure/Process for State agencies and State board to collaborate and communicate with each other and with the local workforce investment system.***

III.C.1. **Describe the steps the State will take to improve operational collaboration of the workforce investment activities and other related activities and programs outlined in section 112(b)(8)(A), at both the State and local level (e.g., joint activities, memoranda of understanding, planned mergers, coordinated policies, etc.). How will the State board and agencies eliminate any existing State-level barriers to coordination?**

The Governor created the new DLEG by the signing of Executive Order 2003-18 in October 2003. This new department has the responsibility to promote economic growth and job creation in Michigan by centralizing and streamlining all of the state's job development, workforce development, and economic development functions under one umbrella. DLEG combines the functions of the former Department of Consumer and Industry Services and the MDCD. This combination allows the department and state to be more nimble and aggressive in job development, attraction, and support. The new department streamlines job development and job recruitment functions as it puts all of the state's job development tools in one place and coordinates their function. By eliminating overlap and duplication of some functions, and enhancing the power of others, the single new department spends taxpayer dollars more efficiently.

DLEG establishes a strong link between the state's chief job recruiter – the MEDC - and the state's worker development functions. The new DLEG will serve as a "One-Stop" shop for business creation and business development by streamlining the permit process, offering job force development tools, and extending incentives to locate and expand businesses. DLEG administers the following programs/functions:

1. Regulatory functions that relate specifically to commercial, business, and workers' issues, including:

    a. Bureau of Commercial Services
    b. Michigan Public Service Commission
    c. Michigan State Housing Development Authority (MSHDA)
    d. Office of Financial & Insurance Services
    e. Bureau of Construction Codes/Fire Safety
    f. Michigan Occupational Safety & Health Administration
    g. Michigan Employment Relations Commission
    h. Michigan Tax Tribunal
    i. Liquor Control Commission
    j. Worker's Compensation Appellate Commission

2. Worker Support Programs, including:
   a. Unemployment Insurance Agency
   b. Workers' Compensation Agency
   c. Wage and Hour Division

3. Bureau of Workforce Programs, including:
   a. WIA
   b. Wagner-Peyser Act
   c. Fidelity Bonding Program for Employers and High-Risk Job Seekers
   d. Foreign Labor Certification
   e. TAA Act
   f. Temporary Assistance for Needy Families
   g. Food Assistance Employment and Training

4. Bureau of Labor Market Information and Strategic Initiatives
   a. Policy, Planning, and Strategic Initiatives
   b. LMI

5. Career Education Programs, including:
   a. Office of Career and Technical Preparation
   b. Office of Adult Education and Spanish-Speaking Affairs
   c. Office of Postsecondary Services

6. Rehabilitation Programs, including:
   a. Michigan Rehabilitation Services
   b. Commission for the Blind
   c. Commission on Disability Concerns
   d. Advisory Council on Deaf and Hard of Hearing

7. Key programs focusing on economic development issues, including:
   a. Fire-related Programs and State Fire Marshal
   b. Michigan Broadband Development Authority
   c. Michigan Next Energy Authority
   d. Michigan Strategic Fund
   e. Land Bank Fast Track Authority
   f. Michigan Extension Telecommunications Rights-of-Way Oversight Authority

DLEG has approximately 4,200 employees and an annual budget in excess of $1.2 billion dollars.

As described, all of the workforce development and career education programs (WIA Title I, Adult Education under WIA Title II [the Adult Education and Family Literacy Act], and Vocational Education [Perkins Act]) are under the umbrella of DLEG. Many of the workforce program activities of the department are carried out through Michigan's system of 25 WDBs that administer the workforce development system programs in their

local regions. The business-led Boards are responsible for operating the state's approximate 100 One-Stop centers, referred to in Michigan as MWSCs. Collaborating with the WDBs are the Education Advisory Groups (EAGs), whose members are appointed by the local WDBs. The EAGs approve plans for Perkins, technical preparation, and career preparation programs, and also recommend strategies for all education programs in the local region, including career and technical preparation, adult education, and postsecondary education.

In addition to the creation of DLEG to promote Michigan's economic growth and job creation, the directors of DLEG, DHS, DCH, and the Superintendent of Public Instruction meet quarterly to coordinate and collaborate on finding solutions for human service workforce issues, eliminating duplication, working through barriers, and leveraging resources.

These four directors serve on the CLEG as lead state agency officials with responsibility for the programs and activities under the WIA and carried out by One-Stop partners. In addition to serving as ex-officio members of CLEG, the directors participate on the executive committee responsible for providing strategic continuity and direction to the Council. This provides a forum for conveying the state's vision for the public workforce investment system to the state's WIB.

Furthermore, the state ensures collaboration of services at the local level through the following steps:

1. Local MWSCs must be designed in accordance with the state's Certification Criteria for MWSCs. This system design is based on a collaboration of service providers who collectively provide required services in an integrated manner to meet individual customers' needs. The system design is based on the following guiding principles:

    a. Adherence to a regionally developed career development strategic plan that encourages a common direction among diverse employment, education, and training programs;

    b. Universality of access;

    c. Customer choice;

    d. Ease of customer access;

    e. Service delivery that is driven by individual customer needs rather than program offerings;

    f. Demand driven through private sector leadership and by serving the workforce with services responding to employers needs for skilled workers;

    g. Integration of services across agencies and programs, replacing fragmentation and duplication with coordination and consolidation;

    h. Customer service focus of staff, facilities, and services;

i. Maximum utilization of resources through collocation shared operating costs; and

j. Accountability focused on results and documented by performance measures.

To be certified as a Service Center, state staff ensures local areas encompass all required partners and programs outlined in Section 112(b)(8)(A) of the WIA and adhere to the aforementioned guiding principles.

1. In addition to the Service Center certification requirements, the State of Michigan ensures that local boards develop and enter into memorandums of understanding (MOUs) with One-Stop partners concerning the operation of the one-stop delivery system. Each MOU shall contain the required provisions outlined in the WIA Section 121(c)(2) and Section 662.300 of the WIA regulations to ensure coordination and avoid duplications at the local level. If a local area is experiencing difficulty in securing a MOU, limiting collaboration, the local area may request and receive assistance from the state to help resolve the impasse.

   To ensure local boards have all required MOUs in place and are utilizing them when operating programs, WIA state coordinators, as part of their quarterly program review, review MOUs. Coordinators will ensure the MOUs are current and that the local board has an appropriate procedure in place to ensure compliance with federal guidance and policy. If a local area is missing a required MOU or lacks an appropriate policy to address MOUs, the area must submit corrective action to fully address the situation. This oversight helps ensure collaboration and avoid duplication for activities and programs carried out at the local level.

2. The state will also utilize WIA funding to support local capacity building and professional development. The funding will be used to increase proficiency in meeting WIA performance measures, local program goals, and ongoing system development. Local Boards will ensure the funding addresses the goals of local strategic plans and the needs of local employers for a trained workforce.

III C. 2. **Describe the lines of communication established by the Governor to ensure open and effective sharing of information among the State agencies responsible for implementing the vision for the public workforce system and between the State agencies and the State workforce investment board?**

As described above, through the creation of the DLEG and the subsequent centralization and streamline of the state's job development, workforce development, and economic development, effective sharing of information is optimized throughout the state's public workforce system.

Further lines of communication are maintained through the Governor's weekly held cabinet meetings. These weekly meetings include all department directors, and provide direction, coordinate strategies and efforts, and review progress on various state initiatives. As addressed earlier in this plan, jobs and the development of the Michigan workforce are top priorities.

In addition to meeting with the Governor, the previously stated quarterly meetings between the directors of DLEG, DHS, DCH, and the Superintendent of Public Instruction provide additional opportunity to share and exchange information on the state's workforce system. The role these four directors serve on the CLEG, as previously discussed, also ensures communication is maintained between the identified state agencies and the CLEG.

III.C.3. **Describe the lines of communication and mechanisms established by the Governor to ensure timely and effective sharing of information between the State agencies/State Board and local workforce investment areas and local Boards. Include types of regularly issued guidance and how Federal guidance is disseminated to local Boards and One-Stop Career Centers.**

DLEG works in collaboration with the Michigan Works! Association by consulting with local workforce areas, local boards, and chief elected officials. Members of the Michigan Works! Association include local board chairs, MWA directors and chief elected officials. Through this association, members are able to maximize communication among workforce development professionals across the state. The Association holds monthly meetings of their Executive Committee, Steering Committee, and Director's Council. State agency representatives participate in all three meetings to exchange information.

The membership of the CLEG includes several representatives from local workforce investment areas and local boards including the President of the Michigan Works! Association Executive Committee, a MWA Director, three local board chairs, and several local board members.

State guidance, including official policy issuances, memorandums, and general correspondence are distributed via a state electronic mail system to appropriate organizations and individuals. Entities wishing to appear on the mailing list are added as requests are received. In addition, federal guidance, such as TEGLs, TENs, and TEINs, are also distributed in this manner.

III.C.4. **Describe any crosscutting organizations or bodies at the State level designed to guide and inform an integrated vision for serving youth in the State within the context of workforce investment, social services, juvenile justice, and education. Describe the membership of such bodies and the functions and responsibilities in establishing priorities and services for youth? How is the State promoting a collaborative cross-agency approach for both policy development and service delivery at the local level for youth?**

The state workforce board (CLEG), whose membership includes local workforce board members and individuals representing youth interests, will ensure a collaborative approach when developing state youth policies. Additionally, information may also be sought from local EAGs and/or YCs. The following groups were formed to provide the state with an integrated vision for serving youth:

- The Workforce Action Network (WAN):

  The WAN was formed to provide recommendations to redesign the welfare reform program and focus on providing economic opportunity and financial independence for participants. The WAN identified new approaches to address the needs of low-income families and the economic development needs of Michigan. A specific action plan to address WAN recommendations was developed. These recommendations include: permanent labor force attachment by participants that is driven by the state's current and emerging economic and workforce development needs; better targeting of resources; more access to skill training and post-secondary education; creation of administrative efficiencies through collocation, strengthening of collaboration and coordination with other agencies and community resources; and implementation of pilot programs to test innovative strategies.

  The action network included: DHS, DLEG agencies (BWP, Michigan Rehabilitation Services, Career and Technical Education, State Housing Development Authority, Commission on Spanish Speaking Affairs, DLEG Executive Office, Michigan Commission for the Blind,), DCH, MWAs, Center for Civil Justice, Goodwill Industries, Charles Stewart Mott Foundation, Paraprofessional Healthcare Institute, W.E. Upjohn Institute, Michigan League for Human Services, Detroit Regional Chamber, Michigan Retailers Association, Cascade Engineering, The Source, and the University of Michigan School of Social Work. The directors of DLEG and DHS will review all recommendations produced by the WAN prior to implementation. WAN recommendations are fully aligned with the Governor's Seven Point Plan for Economic Growth, the DLEG strategic plan, and the DHS strategic plan.

  As a result of the WAN, the Work First program was restructured into the Jobs, Education and Training (JET) program. The JET Program fundamentally changes the way families move off welfare and toward self-sufficiency. Instead of telling those on welfare to "get a job – any job," the program encourages and supports them as they prepare for and get a good job to provide long-term self-sufficiency for their families. The JET Program was originally piloted on April 1, 2006, in Kent, Oakland (Madison Heights district), Sanilac, and Wayne (Glendale/Trumbull district) counties. The initial sites are expected to continue operation through September 30, 2007. On October 1, 2006, Oakland and Wayne counties were expanded and other locations added to the pilot.

  All families in the affected areas receiving Family Independence Program (FIP) benefits during the pilot period will be included in the self-sufficiency pilots. The goals for the JET Program are to achieve the following results by September 30, 2007:

  a. Short-term family support will be provided to 10 percent of applicants, reducing the total active cases by 20 percent after 18 months.

  b. Thirty-four percent of the cases will be closed or reduced after eighteen months.

c. Seventy-five percent of the cases that close will not return to the FIP for one year after case closure.

d. Ten percent of the participants will raise reading and math skills to the eighth grade level or above, will obtain a high school diploma, or obtain a General Educational Development (GED) certificate.

e. Fifty percent of those participants obtaining employment will show at least a twenty percent gain in wages compared to their starting employment wage.

By 2008, the state expects to see an increase in earnings for at least 20 percent of participants such that their incomes will be at 150 percent of poverty or higher.

2. The Children's Action Network:

This network, which spreads across most state departments, recognizes the value of School-Based Service Centers and the role they play in improving access to essential health care, support services, and school performance. The objective of these centers is to provide a unified and holistic delivery of services to at-risk and multi-system families in a school-based setting by leveraging partnerships among agencies, businesses, faith-based organizations, and communities.

3. Improving Youth Outcomes Stakeholders:

This committee consists of representatives from DLEG, DHS, DCH, Michigan Department of Education (MDE), MSHDA, the Governor's Office, and the Michigan Works! Association. The DHS, committee convener, is proposing to establish an Adolescent Youth Unit. The proposed Unit's vision is to bring various youth programs together to define linkages for youth to ultimately create a comprehensive mentoring program for youth aging out of foster care.

4. Michigan Youth Forum Committee (MYFC)

The MYFC is a working committee established to make a statewide assessment of youth programs in order to recommend strategies to guide local areas and facilitate the coordination of youth programs at the local level. Committee members represent DLEG, DHS, MSHDA, MDE, Michigan Works! Association, local workforce agencies, Michigan Department of Military & Veterans Affairs, Native American tribal community, Job Corps, and the Governor's Office of Community & Faith Based Initiatives.

An interdepartmental task force on services to at-risk youth transitioning to adulthood convened in January 2006. This 45-member task force included foster youth, representatives from the DLEG, DHS, DCH, MDE, and the MSHDA. Additional private agencies were also represented, including the United Way, tribal councils, K-12 education, community colleges, youth advocacy groups' community mental health boards, and foster and adoptive parent associations. The National Governor's Association (NGA) state team, which is charged with developing and implementing statewide initiatives, is utilizing the recommendations emanating from this task force.

The NGA team consists of representatives from DLEG, DHS, MDE, DCH, MSHDA, and foster youth.

The state is promoting a collaborative cross-agency approach for policy development and service delivery at the local level for youth through the following activities:

- The Governor holds weekly cabinet meetings that include all department directors. These meetings bring together all areas that provide services to the state's youth population with the goal of providing direction, coordinating strategies and efforts, and reviewing progress.

- The DLEG and the DHS work together when drafting policies affecting youth. Both departments have the opportunity to provide input prior to a particular policies development and implementation at the local level. This coordination of policy development helps ensure a more comprehensive approach to state youth services provided at the local level.

- The DLEG/BWP, Rehabilitation Services, Commission for the Blind, and Commission on Disability Concerns meet monthly to collaborate on plans regarding workforce related issues for the state's disabled population, including youth. The Rehabilitation Services' presence at each MWSC ensures outcomes as a result of these meetings are transferred to the local level.

- The DLEG/BWP continues to coordinate with the state's three Job Corps Centers in Michigan (Detroit, Flint, and Grand Rapids). The purpose of these meetings is to strengthen the partnership between the Job Corps and the state and local system. As a result of these meetings, better linkages at the local level, including the delivery of services for youth, will occur.

- The state was award a U.S. Department of Labor Foster Youth Demonstration Grant. The grant is being utilized to further cross-agency collaboration through the participation of the following agencies:

  a. DLEG/BWP
  b. DHS Services Foster Care Unit
  c. DHS Youth and Transition Agency
  d. State and Local Juvenile Justice
  e. Local Public Schools Alternative Education
  f. MWAs

  This grant will serve foster youth aging out of foster care, and homeless youth, youth offenders (juvenile justice), and other at-risk youth currently in foster care or individuals who have been in foster care. The goal of the grant is to help participants successfully achieve independent living status. The goal will be accomplished through the following services delivered in an environment of high expectations and unconditional support at the local level:

a. Mentoring services
b. Life skills training
c. Academic remediation
d. High school completion
e. GED acquisition
f. Housing assistance
g. Employment and job placement
h. Retention services

The state will continue to utilize the organizations and committees listed above to improve integration at the service delivery area.

IV. Economic And Labor Market Analysis

As a foundation for this strategic plan and to inform the strategic investments and strategies that flow from this plan, provide a detailed analysis of the state's economy, the labor pool, and the labor market context.

Michigan faces several challenges in economic and workforce development. These include:

- Reducing unemployment,
- Accelerating job creation,
- Supporting the state's base industries by enhancing the skills of incumbent workers,
- Identifying the workforce needs of growth industries,
- Retraining dislocated workers to fill vacancies in growth occupations,
- Anticipating the impact of an aging workforce,
- Addressing labor shortages that may result from increasing retirement rates in critical state occupations, and
- Creating a higher-skilled workforce through improvements in educational attainment and worker training.

To address these challenges, a detailed understanding of the state's labor market is critical. This includes information and analysis of the state's industry structure, growth industries and occupations, critical sectors, the demographic changes occurring in the state labor pool, and the skill sets needed for jobs expected to drive state employment expansion.

IV.A. What is the current makeup of the State's economic base by industry?

The Michigan economy continues to rely on a higher than average share of jobs from the goods producing sector. As Table 1 illustrates, the goods producing sector generated nearly 20 percent of Michigan employment in 2006, well ahead of the share nationally. This is primarily the result of the continued strong presence of auto related jobs in Michigan. Despite the serious impact on jobs in Michigan since 2001 from restructuring in the auto industry, motor vehicle manufacturers and suppliers continue to contribute large numbers of production jobs to the state's economy. Michigan is also home to roughly 70 percent of North American auto headquarters and U.S. automotive research and development. The Michigan manufacturing sector generates about 15 percent of state jobs, also well above the U.S. average. Despite the major job cuts throughout this decade in manufacturing, this sector remains critical to the state due to the income it generates and the spin-off jobs it creates.

The service-providing sector is the primary job supplier in Michigan, supplying eight (8) out of every ten (10) jobs. Although this remains below the national average, Michigan has become increasingly reliant on the jobs generated by the service-providing sector.

Key employers in this sector include trade, transportation, utilities, government, professional and business services, and leisure and hospitality.

Professional and business services is an example of an industry that contains many knowledge-based jobs, and that also provides a higher share of total employment in Michigan than nationwide. This is a diverse sector, providing jobs in industries such as employment, architecture and engineering, computer systems design, accounting, legal, and scientific and research services.

TABLE 1

Industry	Michigan Share of Total Jobs	U.S. Share of Total Jobs	Difference
Goods Producing Sector	19.5%	16.6%	+ 2.9%
Manufacturing	14.9%	10.4%	+ 4.5%
Service Providing Sector	80.5%	83.4%	- 2.9%
Trade, Transportation, Utilities	18.2%	19.3%	- 1.1%
Government	15.4%	16.1%	- 0.7%
Professional and Business Serv	13.8%	12.9%	+ 0.9%
Educational and Health Services	13.2%	13.1%	- 0.1%
Leisure and Hospitality Services	9.4%	9.7%	- 0.3%

As Table 2 demonstrates, Educational and Health Services recorded the fastest job expansion in Michigan from 1996-2006. It generates many high wage professional and technical jobs for the state's economy. The six high-growth sectors have shown in Table 2 recorded job expansion rates of 8-18 percent since 1996, at a time when total jobs in the state remained unchanged. Five of the six growth industries are in the rapidly expanding service sector, demonstrating the shift in jobs in the state from a production to a service and knowledge-based economy. The exception was the construction sector, which until recently benefited from relatively low interest rates and a healthy housing market. All of these sectors, but particularly professional services and health services, recorded gains since 1996 in the share of state jobs.

On the other hand, several industries have seen layoff activity cut into total payrolls, or have registered sluggish job performance over this period. As a result, these industries have seen a reduction in their share of Michigan jobs since 1996. Table 2 lists a few of these sectors. The transportation equipment industry and overall manufacturing sector reflect production jobs in the auto industry, and the corresponding job loss since 1996. This job loss has been substantial. Employment fell an unprecedented 30 percent in the automotive industry, as well as 25 percent in the broader manufacturing sector. As a result, manufacturing in Michigan currently supplies only 15 percent of state jobs, down from 20 percent in 1996. Foreign competition, loss of market share, and productivity gains have combined to disproportionately impact the Michigan manufacturing sector in terms of job loss.

The retail sector is another major Michigan employer that has under-performed relative to other industries. With a job loss of eight (8) percent since 1996, the share of jobs from this sector has dropped a full percentage point. Several prominent Michigan-based retailers went out of business or were involved in mergers or acquisitions over this time period. This resulted in job cuts at retail locations as well as among white-collar workers in corporate headquarters. Technology and the introduction of "big-box" retail outlets throughout the state have also impacted the demand for retail workers.

TABLE 2

Industry	Job Growth Rate 1996-2006	Share of Total Jobs 2006	Change in Share of Total Jobs 1996-2006
High Growth Industries			
Educational and Health Services	+ 18%	13.2%	+ 2.1%
Construction	+ 14%	4.4%	+ 0.5%
Leisure and Hospitality Services	+ 10%	9.4%	+ 0.9%
Other Services	+ 9%	4.1%	+ 0.3%
Financial Activities	+ 9%	5.0%	+ 0.4%
Professional and Business Services	+ 8%	13.6%	+ 1.1 %
All Industries	+ 0.1%		
Slow Growth or Declining Industries			
Transportation Equipment Manu.	- 30%	5.1%	- 2.1%
Total Manufacturing	- 25%	14.9%	- 5.0%
Management of Companies	- 22%	1.5%	- 0.4%
Retail Trade	- 8%	11.3%	- 1.0%
Information	- 5%	1.5%	- 0.1%

IV.B. **What industries and occupations are projected to grow and/or decline in the short term and over the next decade?**

Michigan industries that are projected to have sizable employment growth are concentrated in medical, technical, educational, and food services, as well as business support and services.

Employment growth in these industries will translate into above average job prospects for related occupations over the short- and long-term. Registered nurses, nursing aides, home health aides, and medical assistants are just a few occupations with a positive job outlook due to increased demand for medical services. Growth in the leisure and hospitality industry will generate demand for food and wait staff while expected gains in retail will elevate employment levels of retail salespersons and cashiers.

Expected increased jobs for business operations specialists and computer software engineers and analysts are related to growth in professional and business services. Tables 3 through 6 provide more detailed lists of both industries and occupations that are forecast to record above average job growth in the short- and long-term.

Declines in employment levels are also expected in a number of industries within the state. In the manufacturing sector, the impact of continued productivity gains, as well as international competitive pressures, should translate into reduced employment levels for many of this sector's industries, especially transportation equipment manufacturing. Although manufacturing is not expected to generate any net job growth, there will be some demand for replacement of retiring workers in these industries. However, these new workers will be expected to have higher skill levels to help maintain the increased levels of productivity in the workplace.

Some occupations expected to register reduced employment levels are not necessarily concentrated in declining industries. Some occupations such as file clerks, secretaries, and order clerks are declining due to technologies that have reengineered processes in the workplace. Tables 3 through 6 contain more detailed information on specific industries and occupations with negative expected job trends.

TABLE 3

Michigan Short Term Industry Forecasts
2nd Quarter 2005 to 2nd Quarter 2007

Growth Industries	Declining Industries
Administrative and Support Services	Transportation Equipment Manufacturing
Educational Services	Electrical Equipment, Appliance, and Component Manufacturing
Food Services and Drinking Places	General Merchandise Stores
Hospitals	Food and Beverage Stores
Ambulatory Health Care Services	Management of Companies and Enterprises
Professional, Scientific, and Technical Services	Primary Metal Manufacturing
Truck Transportation	Furniture and Related Product Manufacturing
Insurance Carriers and Related Activities	Specialty Trade Contractors
Nursing and Residential Care Facilities	Construction of Buildings
Amusement, Gambling, and Recreation Industries	Printing and Related Support Activities

TABLE 4

Michigan Short Term Occupational Forecasts
2nd Quarter 2005 to 2nd Quarter 2007

Growth Occupations	Declining Occupations
Registered Nurses	Stock Clerks and Order Fillers
Combined Food Prep & Serving Workers, Including Fast Food	Production Workers, All Other
Customer Service Representatives	Cashiers
Truck Drivers, Heavy and Tractor-Trailer	Team Assemblers
Retail Salespersons	Cutting, Punching, & Press Mach Setters/Oper/Tender
Janitors & Cleaners, Except Maids & Housekeeping Cleaner	Secretaries, Except Legal, Medical, and Executive
Waiters and Waitresses	Inspectors, Testers, Sorters, Samplers, and Weighers
Landscaping and Groundskeeping Workers	Laborers & Freight, Stock, and Material Movers, Hand
Home Health Aides	Tool and Die Makers
Nursing Aides, Orderlies, and Attendants	Extruding & Drawing Machine Setters/Operator/Tender
Child Care Workers	Office Clerks, General
Medical Assistants	Industrial Truck and Tractor Operators
Hairdressers, Hairstylists, and Cosmetologists	Molding, Coremaking, & Casting Mach Setters/Oper/Tndr
Teacher Assistants	Order Clerks
Truck Drivers, Light or Delivery Services	Electricians
Business Operations Specialists, All Other	Parts Salespersons
Sales Representatives, Wholesale & Manufacturing	File Clerks
Accountants and Auditors	

TABLE 5

Michigan Long Term Industry Forecasts
2004 - 2014

Growth Industries	Declining Industries
Employment Services	Motor Vehicle Parts Manufacturing
Full-Service Restaurants	Motor Vehicle Manufacturing
General Medical and Surgical Hospitals	Special Food Services
Colleges, Universities, and Professional Schools	Metalworking Machinery Manufacturing
Elementary and Secondary Schools	Household Appliance Manufacturing
Offices of Physicians	Wired Telecommunications Carriers
Limited-Service Eating Places	Printing and Related Support Activities
Architectural, Engineering, and Related Services	State Government, Excluding Education & Hospitals
Other Amusement and Recreation Industries	Other General Purpose Machinery Manufacturing
Local Government, Excluding Education & Hospitals	Department Stores
Building Material and Supplies Dealers	Other Fabricated Metal Product Manufacturing

TABLE 6

Michigan Long Term Occupational Forecasts 2004 – 2014

Growth Occupations	Declining Occupations
Retail Salespersons	Stock Clerks and Order Fillers
Registered Nurses	Secretaries, Except Legal, Medical, and Executive
Customer Service Representatives	Cutting, Punching, & Press Mach Setters/Operators/Tnder
Waiters and Waitresses	Production Workers, All Other
Combined Food Prep & Serving Workers, Incl Fast Food	Order Clerks
Janitors & Cleaners, Except Maids & Housekeeper	File Clerks
Business Operations Specialists, All Other	Computer Operators
Truck Drivers, Heavy and Tractor-Trailer	Tool and Die Makers
Home Health Aides	Word Processors and Typists
Nursing Aides, Orderlies, and Attendants	Inspectors, Testers, Sorters, Samplers, & Weighers
Sales Representatives, Wholesale & Manufacturing	Farmers and Ranchers
General and Operations Managers	Mail Clerks and Mail Mach Operators, Except Postal
Receptionists and Information Clerks	Extruding & Drawing Machine Setters/Operators/Tenders
Medical Assistants	Team Assemblers
Truck Drivers, Light or Delivery Services	Machine Feeders and Offbearers
Teacher Assistants	Parts Salespersons
Landscaping and Groundskeeping Workers	Switchboard Operators, Including Answering Service
Maintenance and Repair Workers, General	Grinding, Lapping, Polishing, & Buffing Machine Tool Setters/Operators/Tenders
Accountants and Auditors	
Child Care Workers	Farmworkers and Laborers, Crop, Nursery, & Greenhouse
Carpenters	Telemarketers
Cooks, Restaurant	Engine and Other Machine Assemblers
Computer Systems Analysts	Billing and Posting Clerks and Machine Operators
Computer Software Engineers, Applications	Photographic Processing Machine Operators

IV.C. **In what industries and occupations is there a demand for skilled workers and available jobs, both today and projected over the next decade? In what numbers?**

Many of the expected high-growth industries in Michigan will generate numerous job opportunities for skilled workers. As defined here, a "skilled industry" is one in which at least 55 percent of the workforce is in jobs requiring at least one year or more of on-the-job (OTJ) training, post-secondary training, or an Associate degree or higher.

As economic growth accelerates, these "skilled" industries should begin hiring workers in earnest. This trend should also continue over the long-term in a more favorable economic climate. The following table lists some of Michigan's skilled industries and the expected growth in employment levels from 2004 – 2014.

Industry	Job Growth
General Medical and Surgical Hospitals	20,492
Colleges, Universities, and Professional Schools	17,027
Elementary and Secondary Schools	13,723
Architectural, Engineering, and Related Services	8,712
Offices of Physicians	8,583
Computer Systems Design and Related Services	6,489
Building Equipment Contractors	5,743
Management of Companies and Enterprises	4,765
Management, Scientific, and Technical Consulting Services	4,524
Offices of Other Health Practitioners	3,179
Accounting, Tax Preparation, Bookkeeping, & Payroll Services	3,131
Personal Care Services	2,906
Scientific Research and Development Services	2,837
Legal Services	2,795
Junior Colleges	2,565
Nursing Care Facilities	2,342
Software Publishers	2,265
Insurance Carriers	2,230
Automotive Repair and Maintenance	1,655
Activities Related to Credit Intermediation	1,544

These industries encompass a wide range of activities: medical, educational, repair, legal, technical, and consulting services. The common thread among these industries is that they will generate many job openings for highly skilled and highly paid Michigan workers. It is expected that these industries together will account for over 117,000 new jobs between 2004 and 2014.

Much of this industry growth translates directly into employment gains for the related skilled occupations. Examples of these occupations include medical staff such as nurses and doctors; teachers in the education community; engineers in the technical services; carpenters, electricians, and plumbers in building contractors; and automotive service technicians.

The following table shows skilled occupations and the expected average number of annual jobs that will be filled between 2004 and 2014 in Michigan. Together they should account for over 19,000 job openings on an annual basis. These openings represent both new job growth and openings generated from the need to replace workers retiring or permanently leaving the occupation.

Registered nurses have the largest number of expected annual openings of the skilled occupations. As the population ages and requires more medical services, new treatments and technological advances will help fuel the growth in healthcare occupations.

Occupation	Annual Openings
Registered Nurses	3,498
Business Operations Specialists, All Other	1,671
Elementary School Teachers, Except Special Education	1,341
General and Operations Managers	1,324
Accountants and Auditors	1,079
Cooks, Restaurant	1,076
Secondary School Teachers, Except Special & Vocational Education	1,020
Carpenters	1,011
Automotive Service Technicians and Mechanics	996
Mechanical Engineers	797
Industrial Engineers	682
Police and Sheriff's Patrol Officers	650
Electricians	618
Middle School Teachers, Except Special and Vocational Education	544
Computer Systems Analysts	530
Plumbers, Pipefitters, and Steamfitters	507
Licensed Practical and Licensed Vocational Nurses	495
Lawyers	478
Computer Software Engineers, Applications	435
Management Analysts	392

IV.D. What jobs/occupations are most critical to the State's economy?

Critical occupations required to secure and improve Michigan's economic health possess certain strong attributes. These positions are characterized by significant current employment levels, and above average projected job growth, number of annual openings, and salary. Most are skilled positions requiring a significant investment in education or training. Based on these criteria, the following list of critical Michigan occupations was developed. The occupations are not listed in order of importance, nor are they all-inclusive.

Computer Systems Analysts	Registered Nurses
Computer Software Engineers	Pharmacists
Sales Managers	Family and General Practitioners
Business Operations Specialists	Mechanical Engineers
Management Analysts	Financial Managers
Computer and Information Systems Managers	Network Systems and Data Comm. Analysts
Sales Representatives, Wholesale and Mfg	Engineering Managers
Electricians	Teachers, Secondary School
General/Operations Managers and Chief Execs	Computer Support Specialists
Accountants and Auditors	Electrical Engineers
Medical and Health Services Managers	Physical Therapists
Industrial Engineers	Police and Sheriff's Patrol Officers
Network and Computer Systems Administrators	Teachers, Elementary School

IV.E. What are the skill needs for the available, critical and projected jobs?

An analysis of the important knowledge, skills, and abilities (KSAs) associated with Michigan's critical occupations (displayed in IV.D. above) indicates there will be a continuing, if not increasing, need for graduates/completers of postsecondary education and training in the fields of information technology, health care, business and finance, and industrial engineering and technology. All of these occupations require a solid foundation in the basic skills, such as reading, communication, math, and cognitive abilities that influence the acquisition and application of knowledge in problem solving. Most will require active learning and critical thinking skills. In addition, these occupations require workers to possess technical skills and knowledge related to their specific occupational discipline. While required levels of the KSAs and the duration of education and training related to the critical occupations vary, the following KSAs and work activities were found to be very important in each of the occupational clusters highlighted below:

Health Care

Knowledge of the information and techniques needed to diagnose and treat human injuries, diseases, and deformities are important in all critical health care occupations. This includes knowledge of symptoms, treatment alternatives, drug properties and interactions, and preventive health-care measures. In addition to the aforementioned skills and abilities common to all of Michigan's critical occupations, health care workers must possess the ability to tell when something is wrong or is likely to go wrong. Significant work activities common to these jobs are:

- Getting information,
- Assisting and caring for others,
- Documenting/recording information, and
- Making decisions and solving problems.

Management

It is important for workers employed as managers to possess a knowledge of business and management principles involved in strategic planning, resource allocation, human resources modeling, leadership technique, production methods, and coordination of people and resources. In addition to the skills common to all critical occupations, managers will need time management, judgment, and decision making skills. Chief Executives will need to be skilled at:

- Identifying measures or indicators of system or organizational performance and the actions needed to improve or correct performance, relative to the goals of the organization.

- Determining how a system should work and how changes in conditions, operations, and the environment will affect outcomes.

- Determining how money will be spent to get the work done, and accounting for the expenditures.

Business and Financial Operations

Non-managerial critical occupations found in this cluster will require workers to possess many of the skills found in management occupations, such as communication, critical thinking, and time management skills. These workers must also be able to establish and maintain cooperative working relationships with others, and have knowledge of economic and accounting principles and practices, the financial markets, banking, and the analysis and reporting of financial data.

Information Technology (IT)

Important KSA requirements specific to the critical IT jobs are:

- Knowledge of circuit boards, processors, chips, electronic equipment, and computer hardware and software, including applications and programming;

- Troubleshoot the causes of computer system operating errors and deciding what to do about it; and

- Technology design, systems analysis, and programming.

Industrial Engineering and Technology

- Knowledge of the practical application of engineering science and technology; and

- Knowledge of raw materials, production processes, quality control, costs, and techniques for maximizing the effective manufacture and distribution of goods.

Construction

- Knowledge of materials, methods, and the tools involved in the construction or repair of houses, buildings, and other structures such as highways and roads; and

- Knowledge of machines and tools, including their designs, uses, repair, and maintenance.

Protective Service

- Increased knowledge and skill in the areas of public safety and security as well as in law and government.

IV.F. **What are the current and projected demographics of the available labor pool (including the incumbent workforce) both now and over the next decade?**

The Michigan workforce is not static. There are major variations by gender, race, and age in workforce indicators, such as the labor force status, industry and occupational distribution, and full and part-time employment trends. These variations are important because they have implications for successful targeting of workforce strategies.

Labor Force Status

- Jobless rates in Michigan are consistently higher for men (7.5%) than women (6.4%) (2004 averages).
- Jobless rates for African Americans (14.4%) and Hispanics (12.3%) are well above average.
- Women who are single parents (9.0%) have a jobless rate over twice that of married women (4.3%).
- Unemployment rates in Michigan are directly correlated with age. The younger the age group, the higher the jobless rate. Jobless rates range from 18.9 percent for youth (16-19) to 5.0 percent for persons 65 years and older.
- African American men experience the most persistent and widespread high rates of joblessness. Double-digit unemployment rates were recorded in 2004 for all age groups under 45 years old.
- African American men ages 16-19 had a staggering 38.5 percent jobless rate in 2003. As a result, they were largely not participating in the job market, with less than two-thirds of the population in the workforce.

Industry and Occupational Distribution

- The manufacturing sector is male-dominated, employing over twice as many men as women.
- Seventy percent of women work in three industries: services, trade, and government. Less than half of men work in these sectors.
- A higher share of women (32%) in Michigan works in managerial and professional occupations than do men (29%).

- The top three occupations in Michigan for women are clerical, professional, and service jobs. Men are concentrated in production, professional, and managerial jobs.

- Men still primarily hold "Blue-collar" occupations of all types. Forty percent of men are in "blue-collar" jobs, versus only ten percent of women.

Full versus Part-time Employment

- Women remain more likely to work part-time than men. Thirty percent of females are part-time workers, versus twelve percent of males.

- Only 8 percent of women who work part-time would prefer to work full-time; most cite non-economic reasons for part-time work (such as family responsibilities and attending school or training).

Disability

- According to the 2004 National Organization on Disability/Harris Survey, only 35 percent of persons with disabilities reported working full or part-time, and the percentage of the disabled with household income below $15,000 is triple the share of the general population.

From 2000-2010, Michigan's population is expected to increase by 4.9 percent to over 10.4 million. This would likely retain Michigan as the 8th most populous state in 2010.

The most notable demographic shift over the decade is expected to be the disparate population trends by age within the state. Only three age cohorts are expected to record significant population gains over the decade, led by persons 45-64 years of age (+ 24.8%), 65 years and over (+ 9.5%), and 18-24 years (+8.7%).

However, three demographic developments have significant workforce implications.

1. The number of children and teens will actually decline from 2000-2010.

2. Persons in the prime working age category of 25-44 years of age will also fall by 5.1 percent.

3. Persons 62 years of age and over will have a growth rate (+15.1%) three times faster than average.

This implies that the demographic workforce pipeline will be strained, with fewer young people entering the state workforce and fewer persons of working age. The ability of the state to increase labor force participation among older workers and

other under-represented populations will be critical to mitigate the labor market impact of these demographic shifts.

IV.G. **Is the State experiencing any "in migration" or "out migration" of workers that impact the labor pool?**

Michigan's population remained at 10.1 million from 2003-2006, and registered a growth rate of just 1.6 percent since 2000. This continues the state's pattern of very modest population gains since the mid-1980s. Population growth in Michigan continues to lag well behind the pace of expansion nationwide, where population rose 6.4 percent since 2000.

The fastest growing states in the nation include Nevada, Arizona, Florida, Texas, and Georgia. Michigan's population growth since 2000 does outpace some states, such as Kansas, New York, Massachusetts, Louisiana, Pennsylvania, Iowa, Ohio, West Virginia, North Dakota, and the District of Columbia.

Migration issues are largely behind the slower population growth in Michigan since 2000. According to the Michigan Department of History, Arts, and Libraries, this can be quantified as follows:

- Forty-six percent of the difference is explained by a net loss of residents to other states.
- Thirty-three percent of the difference is explained by a lower rate of immigration from other countries.
- Twenty-one percent of the difference is explained by a lower rate of natural population increase.

Net natural population increases have become an increasingly smaller source of population gains, making migration patterns even more critical. Out-migration from Michigan is largely to southern states, while in-migration comes largely from other mid-western states.

The impact of these patterns of migration on the labor market is clear. Continued slow population gains will limit the potential growth in the size of the state's labor force. Michigan will need to promote increased rates of labor force participation among all its population sub-groups. As the labor force ages, replacing retiring workers will be difficult if the state continues to experience net out-migration. Efforts to retain older workers in the job market, and promote employment opportunities for youth, disabled persons, the economically disadvantaged, dislocated workers, and other populations with low job market participation will be key.

IV.H. **Based on an analysis of both the projected demand for skills and the available and projected labor pool, what skill gaps are the State experiencing today and what skill gaps are projected over the next decade?**

The Skills-Based Employment Projections System was used to provide an analysis of Michigan's projected skills gaps. The system is used to create a Skills Gap Index. The system links projected occupations with O*NET occupations and assigns the base and projected employment levels from the former to specific job requirements in the latter.

This tool assigns employment only to those job requirements that are at least either moderately important or required for the performance of the O*NET occupation. The skills gap index is created for each job requirement. It is a standardized measure of the difference (gap) between the current supply and projected demand, and is calculated in four steps:

1. **Skill Weight:** The proportion of the total current labor supply meeting specific job requirement criteria. It is calculated as the job requirement base-year employment divided by total base-year employment.

2. **Skill Weight Percent Change:** Employment change across the projection horizon, weighted by the percentage of total base-year employment

3. **Skill Weight Rank:** A rank score, of Skill Weight Percent Change, within a job requirement set.

4. **Skill Gap Index:** The Skill Weight Rank is standardized from 1 to 100.

The analysis provides a means of displaying a score to represent the difference between the current and projected demand for skills. All descriptors displayed below registered a Skills Gap Index of 75-100. Three skills areas are illustrated: knowledge, skills, and generalized work activities.

The **Highest Knowledge Gaps** comparing Michigan's current and projected job demand are in the areas of:

- Customer and Personal Service
- English Language
- Education and Training
- Mathematics
- Psychology
- Sales and Marketing
- Administration and Management
- Mechanical
- Computers and Electronics

The **Highest Skills Gaps** comparing Michigan's current and projected job demand are in the areas of:

- Reading Comprehension
- Active Listening
- Speaking
- Critical Thinking
- Writing
- Active Learning
- Coordination
- Instructing
- Monitoring

The **Highest Generalized Work Activities Gaps** comparing Michigan's current and projected job demand are in the areas of:

- Establishing and maintaining interpersonal relationships
- Communicating with supervisors, peers or subordinates
- Getting information needed to do the job
- Updating and using job-relevant knowledge
- Organizing, planning and prioritizing work
- Making decisions and solving problems
- Identifying objects, actions, and events
- Monitoring processes, materials or surroundings
- Working directly with the public
- Handling and moving objects
- Processing information

These results are in alignment with the skills needs of projected occupations. For example, there is a critical demand for nurses. Using the above analysis (requiring scores between 75-100 percent) the knowledge skill required for nursing includes Psychology and Customer and Personal Service. The generalized work activity for nursing requires 8 of the 13 listed skills. The skills area for nursing requires all nine listed skills and three additional skills not listed.

IV.I. **Based on an analysis of the economy and the labor market, what workforce development issues has the State identified?**

Four major forces of change are affecting Michigan's workers, families, companies and institutions:

1. **Greater Impact of Globalization:** Globalization means most Michigan employers must compete worldwide. To be a magnet for firms and individuals in a global world, Michigan must have quality of place and human capital to compete. Michigan needs to offer regional communities that support a synergy among clusters of firms with the research, practice base, and highly educated population to support job creation.

2. **Changing Demographics:** Michigan can expect no new net growth in its labor force through 2020 from its in-state population. Our overall population size is stagnant and the pool of adults in the workforce is aging. The state may explore strategies to strengthen older workers attachment to the workforce. Additionally, Michigan's current population and its foreign-born immigrants must be seen as strong workforce assets.

3. **Earnings Tied to Learning:** For some time in Michigan, high wages were available with relatively little formal education. Today, however, education levels are the most powerful determinant of a Michigan worker's earning and income levels.

4. **Less Secure Labor Markets:** For many years, Michigan workers experienced the archetype of conventional career patterns. Today, predictable career ladders, secure employment, and set retirements have eroded.

IV.J. **What workforce development issues has the State prioritized as being most critical to its economic health and growth?**

Michigan's workforce system must adapt to these forces of change if our economy is to thrive. The Department of Labor & Economic Growth is employing several strategies to boost the education/skill level of workers; foster collaboration between employers, workers, and training providers; and match Michigan's unemployed population with available vacancies. Some examples of these strategies:

- The state is fostering the development of Michigan Regional Skills Alliances (MiRSAs) to provide a coherent method for addressing local employer concerns about worker shortages, skill shortages, training mismatches, and other workforce challenges. MiRSAs provide an effective solution to address systemic and structural problems by working at a multi-firm, industry based level. Additional initiative goals and objectives are outlined in Section I.C.

- The Lieutenant Governor's Commission on Higher Education and Economic Growth was charged by the Governor with three goals: a) to double the number of Michigan residents with degrees and other postsecondary credentials of value within ten years, b) to improve the alignment of Michigan's higher education institutions with emerging employment opportunities in the state's economy, and c) to build a dynamic workforce of employees who have the talents and skills needed for success in the twenty-first century. The commission produced a series of recommendations to meet these goals, which are now guiding work throughout the state.

- While Michigan faces higher than average unemployment, critical labor shortages exist in health care and skilled trades. Employers are struggling to fill 90,000 vacancies today, while projections show the state needs will grow

in these sectors to approximately 300,000 workers by 2012. The MI Opportunity Partnership is being launched to retool our job training programs and proactively steer the unemployed into high demand career fields, such as health care. The MI Opportunity Partnership is discussed in detail in Section II.

V. Overarching State Strategies

V.A. Identify how the State will use WIA Title I funds to leverage other Federal, State, local, and private resources in order to maximize the effectiveness of such resources and to expand the participation of business, employees, and individuals in the statewide workforce investment system?

Workforce Investment Act (WIA) funds will be used in such a manner as to leverage other funding sources. Following are examples of how funds may be used at the state and local Michigan Works! Agencies (MWAs) to maximize the overall effectiveness of the state's workforce investment system

The WIA Statewide Activities funding were used to support on-the-job training for employees at the Global Engine Manufacturing Alliance (GEMA) in Dundee, Michigan. The GEMA was created as a joint venture between Daimler Chrysler Corporation, Hyundai Motor Company, and Mitsubishi Motors Corporation. The GEMA is slated to develop two plants in Dundee, Michigan. The first plant will employ 170 people in its first year, and more than 300 people within the next four years. The second plant is expected to add 250 new GEMA jobs. To compliment the WIA funding, the Michigan Economic Development Corporation (MEDC) provided Economic Development and Job Training funds to assist in the training of GEMA employees.

The WIA Rapid Response Reserve Funding may be used in conjunction with matching resources. For example, WIA Rapid Response Reserve Funding was distributed to the MWAs to develop and implement an innovative incumbent worker program. The programs are developed with an employer or employer association to upgrade skills training of a particular workforce. If an MWA should implement an incumbent worker program that utilizes customized training, the employer involved will pay for not less than 50 percent of the training.

The WIA Statewide Activity Funds are utilized to foster the development of Michigan Regional Skills Alliances (MiRSAs). MiRSAs address local employer concerns about worker shortages, skill gaps, training mismatches, and other workforce challenges. MiRSAs will address these challenges and systemic and structural issues by working at a multi-firm, industry-based level. To complement the WIA funding and further the MiRSA initiative, local recipients are required to provide cash or in-kind matching funds to sustain the initiative in subsequent years. Additionally, the Charles Stewart Mott Foundation, a private philanthropy organization based in Flint, Michigan, provided funding to further the initiative.

The WIA funds are used in the development and implementation of the 21st Century Workforce Initiative. Through the Initiative, the state seeks a collaborative partnership with the local workforce boards to work together to meet the challenges currently facing the state. The purpose of this effort is to work with MWAs interested in providing regional leadership in the development and/or strengthening of regional strategies to address both the immediate and longer-term workforce need of employers. To date, the state has identified 13

regions. Included in the 13 regions, are 3 Workforce Innovation in Regional Economic Development (WIRED) designated areas. Entities participating in all 13 regions provide resources (financial and non-financial) to help maximize the effectiveness of state resources and to expand the participation of business, employees, and individuals in the statewide workforce investment system.

The WIA Statewide Activities funding is being used as a match for funding received from U.S. Department of Labor to implement the Career Advancement Account (CAA). Michigan will utilize CAA funding to provide Incumbent Worker and Dislocated Worker Training Programs for autoworkers and supplier staff who have been impacted by the massive restructuring within the automotive industry. This will include those workers in the surrounding communities who have also had their employment affected by this industry. Michigan has determined that incumbent worker training, in coordination with dislocated worker services, provided to those who left or retired from this industry, through the acceptance of a buyout, without funding for retraining and those employed by adversely affected suppliers and in adversely affected communities, are the most efficient and effective avenues to provide those individuals not already receiving benefits through the WIA or Trade Adjustment Assistance (TAA) programs the support to avert their own layoff and provide the best opportunity for job placement and security.

The WIA funds may be used as match for eligible federal grants and state programs where issues addressed are complementary to one another. For example, funds expended on WIA youth may be used as a match for Career Preparation System work-based learning activities when participants are involved in both programs.

Funds may be used as shared costs for programs and/or services, which have similar goals. For example, WIA funds may be used as a portion of the support of other federal grants, which may require or suggest a partnership with the Workforce Development Board (WDB) or the Michigan Works! Service Centers (MWSCs). The WIA funding may also be used as a shared resource with other programs where multiple programs are focused on individual aspects of a participant's workforce development strategy. For example, Work First provides job search and supportive services and WIA provides training.

V.B. **What strategies are in place to address the national strategic direction discussed in Part I of this guidance, the Governor's priorities, and the workforce development issues identified through the analysis of the State's economy and labor market?**

The initiative and priorities identified by the Governor assist the state as it strives to continually create a workforce investment system that meets the demands of today's economy as identified through analysis of the state's labor market data. The following programs are examples of initiatives that parallel the national strategic direction:

Demand Driven Workforce Investment System, Creation of the 21st Century Workforce Initiative: The overarching goal of the initiative is to develop coordinated regional planning to help Michigan regions build stronger regional economies. The successful coordination of workforce development, economic development, and community development strategies will help transform our state into a 21st century global economy. Stakeholders in 13 regions, which includes the state's 3 WIRED initiatives, have been convened to address immediate workforce needs, such as adoption of a lay-off aversion strategy, supporting community-led efforts to address plant closings and lay-offs through linking economic and workforce development, and creating regional workforce development teams to implement these strategies and make successful transitions to new markets, new jobs, and new work skills.

The state's MiRSAs initiative provides training that prepares workers to take advantage of new and increasing job opportunities in high growth/high demand and economically vital industries and sectors of the American economy. The initiative is lead by a team that includes members representing workforce development, labor market information, grants and contracts, and economic development. Individuals representing industry associations, community colleges, postsecondary institutions, K-12 schools, local WDBs, economic development agencies, labor unions, MWSCs, and community based organizations are targeted to participate in MiRSAs.

The Governor's initiative, MI Opportunity Partnership, was developed to address the state's immediate employment needs. The partnership is charged to retool job-training programs and proactively steer the unemployed into high-demand career fields, such as health care. The partnership will coordinate the efforts of the MiRSAs, MWAs, community colleges, local employers, and others to implement an accelerated strategy to provide new job opportunities in health care and the skilled trades for unemployed and displaced workers. The partnership will blend available federal, state, and local dollars in a streamlined, outcome-based initiative to contact employers and work with them to fill as many job vacancies as possible.

System Reform and Increased Focus on Training: Current Labor Market Information (LMI) indicates that Michigan is currently facing a nursing shortage. To ensure that Michigan adequately addresses both the current nursing need and the growing future need, the state must do more to expand the number of faculty in the state's nursing programs, increase clinical placement opportunities, and provide accelerated degree programs for workers choosing nursing as a second career.

In her 2007 State of the State address, the Governor unveiled the Michigan Nursing Corps to address these needs. In the next three years, Michigan will train over 500 additional nursing faculty and graduate more than 3,000 additional nurses.

The state encourages increased consolidation of its workforce system's infrastructure through initiatives such as the Workforce Action Network (WAN). The WAN, which included the Department of Labor & Economic Growth (DLEG), Department of Human Services (DHS), MWAs, advocates, employers, and other partners and stakeholders recommended new approaches to address the needs of low-income families and the economic development needs of Michigan. A specific action plan to address WAN recommendations was developed. Subsequently, the Work First Program was restructured into the Jobs, Education Training (JET) program. The JET program is a partnership to connect Michigan's families with the kind of jobs, education, and training opportunities that will help them achieve self-sufficiency and meet the workforce and skill needs of Michigan's businesses.

The JET Program fundamentally changes the way families move off welfare and toward self-sufficiency. Instead of telling those on welfare to "get a job – any job," the program encourages and supports them as they prepare for and get a good job to provide long-term self-sufficiency for their families.

Enhanced Integration through One-Stop Delivery System: The state has strived to attain a truly integrated One-Stop delivery system prior to the inception of the WIA. These steps resulted in the creation and implementation of statewide minimum standards in 1997. The Michigan Works! System Governance and Minimum Standards fostered an integrated service delivery system that requires partners to create a collaborative effort to deliver services. To ensure the state's goals for integration continue to be met, the state has updated its minimum standards with a new policy. Additional information is provided in Section VI.B. Please reference Attachment C for the state's Certification Criteria for Michigan Works! Service Centers.

Serving Youth Most in Need: To grow the state's core industries and to attract new technology-based enterprises demands the talents of an increasingly educated workforce. To meet these demands, the state has convened commissions, developed initiatives, and created and strengthened partnerships. Including:

- Executive Order No. 2004-32 created the Lieutenant Governor's Commission on Higher Education and Economic Growth. The commission was charged with building a dynamic workforce of employees who have the talents and skills needed for success in the 21st century economy. The Commission examined strategies to increase the number of students in Michigan who attain the skills critical to post-secondary success before graduating from high school and to maximize the benefits that higher education brings to Michigan's economy. The Commission has developed recommendations including setting higher expectations for high school students through rigorous standards and curriculum, implementation of new strategies for high school success, and the development of a lifelong education tracking system. The Commission's recommendations were presented to the Governor for consideration.

- Children's Action Network (CAN): The CAN, formed by the Governor, cuts across most state departments, and recognizes the value of School-based Service Centers and the role they play in improving access to essential health care and supportive services. The objective of these centers is to provide a unified and holistic delivery of services to at-risk and multi-system families in a school-based setting by leveraging partnerships among agencies, businesses, faith-based organizations, and communities.

- The aforementioned WAN will also assist the state in serving youth most in need.

- The National Governor's Association (NGA) Team, benefiting from the assessment performed by the Interdepartmental Task Force on Services to At-risk Youth Transitioning to Adulthood, developed 21 initiatives to provide better access and remove barriers to services available to foster youth. Top priorities the team addresses are access to education and the state workforce investment system.

Stronger Workforce Information System: To build the state's workforce investment system, initiatives have been identified and partnerships forged. These steps were driven by the analysis of not only the state's economic make-up, but also its greatest resource, its citizens. The DLEG has a considerable advantage when it comes to assessing the state's workforce investment system and subsequently identifying areas to drive the state's economy. The collocation of labor and economic groups under one department with aligned strategies and goals results in comprehensive workforce information to effectively address the state's workforce system. This information is accessible to the state's citizens at One-Stop service centers, libraries, schools, worksites, homes, and wherever the Internet is available. It includes a wealth of information on occupations, employment opportunities, career planning, skills assessment, and other related resources.

Utilization of Faith-Based and Community-Based Organizations: To promote the integration of Faith-Based and Community Based Organizations (FBCOs), the Governor signed an Executive Order creating the Office of Community and Faith-Based Initiatives. The new office (http://www.michigan.gov/outreach) will focus on supporting the critical community support services that faith-based organizations provide. The FBCOs will provide opportunities for partnerships in mentoring children and in helping citizens' train for work. The office will offer a single point of contact for community and faith-based organizations hoping to assist the state in providing critical services in local communities.

Flexibility Provisions in WIA: The state has previously utilized waivers and work-flex authority to carryout provisions of the WIA and will continue to do so. Specific information regarding waivers and work-flex authority is addressed in Section X.C.

V.C. **Based on the State's economic and labor market analysis, what strategies has the State implemented or plans to implement to identify and target industries and occupations within the State that are high growth, high demand, and vital to the State's economy?**

Through the analysis of the state's labor market data, Michigan has identified a demand for skilled workers in the medical and skilled trades industries. As the state's population ages and requires additional medical services, new treatments and technology advances will continue to fuel this growth.

Addressing Michigan's nursing shortage, which is estimated to be 18,000 by 2015, has been a high priority for the Governor. The Governor understands that the nursing shortage is both a public health concern and an economic development issue in Michigan. Under her leadership, Michigan has invested in innovative strategies to create a high-quality nursing workforce that meets the health care needs of communities across the state.

To date, the administration has invested $30 million through the MI Opportunity Partnership in Michigan universities and community colleges for innovative programs to produce additional nursing graduates. In addition, twelve of Michigan's Regional Skills Alliances (RSAs) are focused on recruitment, employee development, retention, and collaboration in health care professions, including nursing. Michigan is leading the nation in investment, innovation, and tangible outcomes from these initiatives to address the current nursing shortage and the future workforce needs of the state.

To ensure that Michigan adequately addresses both the current nursing need and the growing future need, the state must do more to expand the number of faculty in the state's nursing programs, increase clinical placement opportunities, and provide accelerated degree programs for workers choosing nursing as a second career.

In her 2007 State of the State address, the Governor unveiled the Michigan Nursing Corps to address these needs. In the next three years, Michigan will train over 500 additional nursing faculty and graduate more than 3,000 additional nurses.

Michigan will reach this bold goal by building on the Governor's existing initiative. The Michigan Nursing Corps initiative will:

- Accelerate training of master's-prepared nursing faculty through nationally accredited programs in Michigan.

- Accelerate training of doctoral-prepared faculty through nationally accredited nursing doctoral programs in Michigan.

- Accelerate training of staff nurses prepared as clinical faculty using a common statewide curriculum developed by accredited grantee institutions. This training will allow for additional clinical placements for nursing students in an effort to eliminate the current 3-5 year backlog of clinical placements required for graduation.

- Recruit Michigan's displaced workers holding bachelor degrees in science for admission to accelerated, one-year programs in accredited Michigan nursing programs.

Participants in all of these programs must commit to working and teaching in Michigan.

Additionally, the state had identified that, for some time, high wages were available with relatively little formal education. However, in today's emerging economy, education levels are the most powerful determinant of a worker's earning and income levels. Therefore, additional emphasis must be placed on the importance of continuing education and improving skill set levels.

To target these industries and address state workforce issues, Michigan has implemented the following strategies targeting industries vital to the state's economy:

- The development of MiRSAs throughout the state. MiRSAs provide a coherent method for addressing local employer concerns about worker shortages, skill shortages, training mismatches, and other workforce challenges and provide an effective solution to address systemic and structural problems by working at a multi-firm, industry based level.

- The creation of the Lieutenant Governor's Commission on Higher Education and Economic Growth. The Commission was charged by the Governor with three goals: to double the number of Michigan residents with degrees and other postsecondary credentials of value within ten years, to improve the alignment of Michigan's higher education institutions with emerging employment opportunities in the state's economy, and to build a dynamic workforce of employees who have the talents and skills needed for success in the twenty-first century. The Commission recently produced a series of recommendations to meet these goals, and will guide future strategies and initiatives throughout the state.

- The creation of the MI Opportunity Partnership. While Michigan faces higher than average unemployment, critical labor shortages exist in health care and skilled trades. Employers are struggling to fill 90,000 vacancies today, while projections show the state's needs in these sectors will grow to approximately 300,000 workers by 2012. The MI Opportunity Partnership was launched to retool job-training programs and proactively steer the unemployed into high-demand career fields, such as health care.

V.D. **What strategies are in place to promote and develop ongoing and sustained strategic partnerships that include business and industry, economic development, the workforce system, and education partners (K-12, community colleges, and others) for the purpose of continuously identifying workforce challenges and developing solutions to targeted industries' workforce challenges?**

The following strategies and initiatives are in place in Michigan to promote and develop sustained strategic partnerships:

The 21st Century Initiative is a key element of the state's workforce strategy. Its overarching purpose is to build strong regional economies in Michigan. The goals of the initiative are to:

- Prevent Michigan's traditional industries and jobs from leaving the state by adopting a layoff aversion strategy.
- Support community-led efforts to address plant closing and layoffs through the development of strategies that link workforce and economic development.
- Create regional workforce development teams to implement these strategies and make a successful transition to new markets, new jobs, and new work skills.

The state provided WIA funding to MWAs to build regional partnerships that include many stakeholders within regions that are self-defined by the applicants. Thirteen regional partnerships have been formed. Stakeholders are diverse and include workforce board chairs and executive directors, community college and public university presidents, K-12 superintendents, economic and community development leadership, culture and arts organizations, early childhood education resource groups, multipurpose collaborative bodies, and other community-based organizations.

Through the implementation of the three WIRED initiatives, the state will transform regional economies by enlisting the skills of the numerous and varied players in those economies to research and produce long-term strategic plans that prepare workers for high-skill, high-wage opportunities in the coming years and into the next decade. The state's 3 WIRED initiatives are included as part of the 13 regional partnerships created under the 21st Century Workforce Initiative and include partnerships with state and local governments, educational entities, economic development agencies, community based organizations, financial institutions, chambers of commerce, Smartzones, high-technology business incubators, technology clusters, small business associations, manufacturing associations, and private foundations, just to name a few.

The MiRSAs promote and develop ongoing and sustained strategic partnerships through the linkages of workforce policies to economic development policies in priority industry sectors of manufacturing, healthcare, life sciences, homeland security, alternative energy, and other industries of state and or regional importance. Part of the overall MiRSA strategy includes the communication of the vision and value of industry-focused strategies to employers, local WDBs, community colleges and other education, business, and labor organizations through the Michigan Works! system.

Through the MI Opportunity Partnership initiative, 35,000 employers will be targeted to work in partnership with the state and the MWSCs to fill job vacancies. The MI Opportunity Partnership will involve retooling Michigan's job training programs and proactively steering unemployed workers into high-demand career fields, such as health care and the skilled trades, with the goal of matching 30,000 unemployed workers with jobs by the end of 2005, and an additional 40,000 unemployed workers with jobs by April 30, 2007, and April 30, 2008. Employers will identify their labor force needs, including existing vacancies, and identify required occupational skill sets and training needs. Michigan will implement a targeted marketing campaign that includes contacts with over 268,000 individual employers, business and occupational associations through site visits, formal presentation, letters and surveys. This effort will be an expansion of activities already ongoing through the state's workforce system. MI Opportunity Partnership resources that will be instrumental in the implementation of the campaign include the following agencies within DLEG:

- Bureau of Workforce Programs
- Bureau of Career Education
- Michigan Commission for the Blind
- Bureau of Labor Market and Strategic Initiatives
- Media and Public Relations
- Michigan Rehabilitative Services
- MEDC
- Unemployment Insurance Agency

Outside of DLEG, State Departments of:

- Department of Community Health
- Education
- Information Technology
- DHS (formerly the Family Independence Agency)
- Treasury
- Management and Budget

Other partners include:

- Michigan Works! Association
- Community Colleges

- Michigan Hospital Association
- Local Chambers of Commerce
- Local Economic Developers
- Labor Unions

The Road Construction Workforce Development Program Statewide Partnership Committee's vision is to provide a sustained road construction workforce of diverse, trained, and certified individuals. The Statewide Partnership Committee includes representatives from the DLEG, Michigan Department of Transportation, Office of Community and Faith-Based Initiatives, federal and state Apprenticeship programs, Education, Unions, Michigan Works! Association, and other community based organizations.

The program will work to equip a diverse pool of Michigan residents with the skills for sustainable employment in the road construction industry and identify, leverage, and maximize federal, state, and local resources to create a sustainable process for supplying a qualified, diverse pool of highway construction workers.

The goals of the program are:

- Identify key issues impacting the development and growth of Michigan's road construction industry workforce.

- Develop policies and strategies to address local participation in job training and employment opportunities for minority, female, and economically disadvantaged individuals in the building of federally funded transportation projects in low-income communities with high unemployment.

- Develop a statewide program for pre-apprenticeship and apprenticeship training for women, minorities, and economically disadvantaged persons in road construction trades.

- Develop a regional blueprint for collaboration and cooperation by local workforce development agencies, community-based organizations, contractors, unions, high schools, community colleges, and other stakeholders.

The state also utilizes SmartZones to identify and target workforce challenges. SmartZones are collaborations between universities, industry, research organizations, government, and other community institutions. SmartZones stimulate the growth of technology-based businesses and jobs by aiding in the creation of recognized clusters of new and emerging businesses. SmartZones focus on commercializing ideas, patents, and other opportunities surrounding corporate, university, or private research institute and development efforts.

SmartZones provide distinct geographical locations where technology-based firms, entrepreneurs, and researchers can locate in close proximity to all of the community assets that will assist in their endeavors. The locations of the

Michigan SmartZones represent areas that comprise a critical mass of technology development assets.

V.E. **What State strategies are in place to ensure that sufficient system resources are being spent to support training of individuals in high growth/high demand industries?**

The previously defined No Worker Left Behind Program, the Michigan Nursing Corps, the MiRSAs Initiative, and MI Opportunity Partnership ensure state resources are utilized to support training of individuals in high growth/high demand industries.

Furthermore, Rapid Response Reserve funding is being utilized to operate an Incumbent Worker-Training Program at the MWAs. MWA officials must link Incumbent Worker Training Programs to identified priority industry sectors in their local area. Priority industries are identified as industries that contribute significantly to the local economy as demonstrated by the use of LMI and other appropriate sources.

Federal, state and local funds will be blended in a streamlined, outcome-based initiative. Economic Development Job Training funds, which are funded from the state General Funds/General Purpose Funds, will also be used to provide training in high-tech/high-wage jobs as a part of this initiative.

V.F. **What workforce strategies does the State have to support the creation, sustainability, and growth of small businesses and support for the workforce needs of small businesses as part of the State's economic strategy?**

The following strategies are utilized to stimulate the state's economy and job growth of small businesses:

To diversify Michigan's economy and continue to invest in Michigan's people, the Governor has called for nurturing the growth of small businesses. The Governor has made more capital and start-up funds available to small businesses. She has also called for passage of her plan to make 401(k) plans available to small business employees at little or no cost.

Members of the MEDC serve on the State Advisory Board of Directors for the Michigan Small Business and Technology Development Center (MI-SBTDC). The MI-SBTDC enhances Michigan's economic well being by providing counseling, training, research, and advocacy for new ventures, existing small businesses, and innovative technology companies. With regional, satellite, and affiliate offices statewide, the MI-SBTDC network positively impacts the economy by strengthening existing companies, creating new jobs, retaining existing jobs, and assisting companies in defining their path to success. Additionally, the state utilized WIA Incentive Funds to develop entrepreneurship curricula in schools and postsecondary entrepreneurship certificate and degree programs.

The funds are used to carry-out three primary activities:

- A statewide workshop to develop standards and frameworks for an aligned Entrepreneurship curriculum;
- Establishment of a state clearinghouse for Entrepreneurship Education; and
- The issuance of competitive planning grants to Tech Prep Consortiums to develop and implement at least six (6) articulated Entrepreneurship academic programs that begin at the high school level, and culminate in an associate degree at the community college.

The state has also created Michigan Timely Application and Permit Service (MiTAPS) to assist and support individuals in conducting business in the state. MiTAPS will provide One-Stop shops for individuals to be able to determine what permits are needed to do business in Michigan, regardless of the department or agency. Businesses will be able to apply for the needed permits online and track the status of the permit while it is being processed. In addition, MiTAPs will provide information on documentation needed to complete the permit processing and provide the ability to submit electronic documents, as well as pay fees online. MiTAPs will help make the state a better place to do business by reducing the time it takes businesses to obtain permits and licenses.

Support for the workforce needs of all Michigan businesses, large or small, will continue to be provided through the state's comprehensive One-Stop delivery system.

V.G. **How are the funds reserved for statewide activities used to incent the entities that make up the State's workforce system at the State and local levels to achieve the Governor's vision and address the national strategic direction identified in Part I of this guidance?**

Statewide activity funding will be used to support the Governor's vision for Michigan: Jobs Today, Jobs Tomorrow and assist in the national strategic direction of a demand-driven system as follows:

- **Michigan Regional Skill Alliances**

  MiRSAs are employer-led, regional-based workforce development partnerships that address local workforce challenges. Under these alliances, key groups within communities, led by local MWAs, work together to identify workforce needs and develop a comprehensive regional and industry-focused strategy to meet employer's workforce needs.

- **MI Opportunity Partnership**

  The MI Opportunity Partnership will coordinate the efforts of the MiRSAs, MWAs, community colleges, local employers, and others to implement an accelerated strategy to provide new job opportunities in healthcare and the skilled trades for unemployed and displaced workers. MI Opportunity Partnership objectives include: placing 30,000 unemployed workers into jobs by the end of 2005; place 40,000 unemployed people into jobs by April 30, 2007, and again by April 30, 2008; implement a targeted marketing campaign that includes contacts with over 268,000 individual employers; and accelerate training for jobs in healthcare and skilled trades.

- **Career Advancement Accounts**

  CAAs will provide incumbent worker and dislocated worker training programs for workers who are impacted by the massive restructuring within the automotive industry and those citizens in the surrounding communities who have also had their employment affected by this industry.

The state will address system reform and increased focus on training, including sector-based training aimed at addressing the needs of employers in key local industries, through an initiative that involves residents in southwest Michigan. Funding will be used to engage Benton Harbor area residents in education and training activities leading to a career path in the skilled trades.

The state continues to support a seamless, integrated One-Stop delivery system (i.e. MWAs) through the use of statewide activities funding. Collocation of service providers and the integration of services to the fullest extent possible are the priorities of this system. Within this system, services from the state's major workforce development programs are seamlessly accessible to the customer. A single delivery system at the local level provides customer access to services in an integrated, rather than fragmented, manner.

The service centers offer One-Stop access to a wide range of career development services to all Michigan residents. Individuals can easily access the state's major workforce development and career development programs and services such as job training, employment guidance and support services, job listings, and information about education and opportunities such as internships and apprenticeships.

Integrated services are also provided to all employers, at their request, at no cost to support their economic and workforce development efforts. These services, at a minimum, include: assistance in finding qualified workers; labor exchange services; use of interview facilities; state and/or federally generated LMI; state and/or federally generated information on the Americans with Disabilities Act; information on, and referral to, business start-up, retention and expansion

services; information on, and referral to, sources for developing customized training programs; information on, and referral to, Career Preparation activities; rapid response to mass layoffs and plant closings; information about training incentives such as on-the-job training programs (based on worker eligibility); and state and/or federally generated information on tax credits for new hires.

Three initiatives that help support a new vision for serving youth most in need include:

- Focus: HOPE
- Detroit Youth Empowerment-Summer Youth Program
- Benton Harbor Summer Youth Program

The Center for Advanced Technology (CAT) program is an Incumbent Worker program, run by Focus: HOPE. The CAT program is designed to provide the engineering equivalent of a "teaching hospital." Engineering students pursue their engineering education within an environment of actual production, research, and development contracts.

The Detroit Youth Empowerment-Summer Youth Program provides employment or paid work-based learning opportunities for approximately 350 Detroit youth, ages 14-17. The youth attend workshops focusing on employability skills, financial literacy, conflict resolution, career exploration, entrepreneurship, community service, teamwork, leadership development, and life skills.

Statewide activities funding is also used to support the Benton Harbor Summer Youth program. The Benton Harbor Summer Youth program will provide assessment, mentoring, leadership development, work experience, skills development, job placement, and performance evaluation by employers to youth in the Benton Harbor area. This area experiences persistent high drop-out rates and high unemployment. The youth in the program will increase their workplace skills and learn the connection between education and jobs.

V.H. **Describe the State's strategies to promote collaboration between the workforce system, education, human services, juvenile justice, and others to better serve youth that are most in need and have significant barriers to employment, and to successfully connect them to education and training opportunities that lead to successful employment.**

The DLEG, in conjunction with the MWAs, provides linkages between workforce development, educational, juvenile justice and social service agencies, as well as coordinating with local employers to provide at-risk youth entry-level jobs, internships, mentoring, on-the-job training, and work experience in high-demand occupations.

Services provided by the MWA's One-Stop system include intensive case management, mentoring, advocacy, referrals to shelter and housing, health care, supportive services, childcare, transportation, and job training and education. At

risk youth's employment and life barriers are identified and addressed in Individual Service Strategies (ISSs), which lay out plans for overcoming identified barriers. The ISSs also set participation benchmarks and goals designed to lead to self-sufficiency, including continuing education and employment.

Furthermore, the following strategies help promote collaboration and service to those youth most in need:

Children's Action Network: The CAN, formed by the Governor, cuts across most state departments, and recognizes the value of School-Based Service Centers and the role they play in improving access to essential health care and supportive services. The objective of these centers is to provide a unified and holistic delivery of services to at-risk and multi-system families in a school-based setting by leveraging partnerships among agencies, businesses, faith-based organizations, and communities.

Workforce Action Network: The WAN was convened to produce recommendations to redesign the welfare reform program and focus on providing economic opportunity and financial independence for participants.

- The WAN network included: DHS, DLEG agencies (Bureau of Workforce Programs, Michigan Rehabilitation Services, Career and Technical Education, State Housing Development Authority, Commission on Spanish Speaking Affairs, DLEG Executive Office, Michigan Commission for the Blind,), Department of Community Health, MWAs, Center for Civil Justice, Goodwill Industries, Charles Stewart Mott Foundation, Paraprofessional Healthcare Institute, W.E. Upjohn Institute, Michigan League for Human Services, Detroit Regional Chamber, Michigan Retailers Association, Cascade Engineering, The Source, and the University of Michigan School of Social Work.

- The focus of the new program is to enhance the partnership between DLEG and DHS; increase opportunities for training and education; strengthen local MWA and DHS partnerships; and complete more thorough participant assessments.

- As a result of the WAN, the Work First program was restructured into the Jobs, Education, and Training (JET) Program. The JET Program fundamentally changes the way families move off welfare and toward self-sufficiency. Instead of telling those on welfare to "get a job – any job," the program encourages and supports them as they prepare for and get a good job to provide long-term self-sufficiency for their families. The JET Program was originally piloted on April 1, 2006, in Kent, Oakland (Madison Heights District), Sanilac, and Wayne (Glendale/Trumbull District) counties. The initial sites are expected to continue operation through September 30, 2007. On October 1, 2006, Oakland and Wayne counties were expanded and other locations added to the pilot.

The NGA Task Force Team: The NGA team has developed a partnership between DHS, DLEG, Department of Community Health, Michigan Department of Education, Michigan State Housing Development Authority, and foster youth by meeting quarterly to discuss the status of each of its 21 initiatives. In between these team meetings, several initiative-specific meetings are held to refine and implement the initiatives' strategies. These meetings have helped agency staff to build relationships necessary to true collaboration. Through this collaboration, several barriers for youth transitioning out of foster care are being addressed.

The Michigan Youth Forum Committee: The Committee is working on assessing services to at-risk youth in order to better coordinate these services at the state level. The committee is also recommending a state level infrastructure composed of stakeholders from various state and private agencies that will meet on a monthly basis and provide guidance for local areas. Another initiative undertaken by the committee is to recommend a local level infrastructure and facilitate the coordination of services at the local level.

Additionally, the DLEG provides adult education funds to the DHS and the Department of Corrections for educational services and job training for out-of-school youth and youth offenders. Through the English-as-a-Second Language program, educational opportunities and job training is expanded for migrant and family workers. Additionally, adult education funds are used to reach out to persons with special needs, such as low-income students, single parents, and displaced homemakers, those with disabilities, and individuals with multiple barriers to educational enhancement, including those with limited English proficiency.

V.I. **Describe the State's strategies to identify State laws, regulations, and policies that impede successful achievement of workforce development goals and strategies to change or modify them.**

Michigan undertakes continuous improvement activities to identify policies and requirements that would create obstacles in the workforce system. The state seeks feedback from the system regularly regarding policies that impede system goals and objectives. Feedback is obtained from quarterly Management Information System Users Group, Planning Users Group, Fiscal Users Group, and Business Services Users Group. Additional feedback is generated at monthly MWAs' Director Council and Steering Committee meetings. The state reviews, as necessary, identified obstacles.

Although not a state law, regulation, or policy, Michigan has identified the need to develop a system that allows for adjustments to state and local performance measures to account for factors outside of the control of administrators. Subsequently, the state received a grant from the USDOL to develop and market such a system; the Value Added Performance Improvement System (VAPIS).

Currently, the state is in the process of implementing VAPIS. This implementation will help the state successfully achieve workforce development goals.

Through the continuous improvement activities outlined above, the state has identified WIA regulations that impede its ability to achieve strategies and initiatives. Subsequently, the state will seek waivers, as appropriate, to address these barriers.

V.J. **Describe how the State will take advantage of the flexibility provisions in WIA for waivers and the option to obtain approval as a workflex State.**

The state has, and will continue to take advantage of, the flexibility provisions in the WIA to achieve identified strategies and initiatives. Currently, this includes seeking waiver extensions in the following areas:

1. Extension of initial eligibility of training providers.

2. Ability to transfer funding from the state set-aside Rapid Response funds to the state set-aside Governor's reserve funds, to operate allowable statewide activity programs, such as an Incumbent Worker program.

3. Ability to redistribute recaptured local funds to those areas with the greatest need in lieu of the current WIA redistribution regulations.

4. Ability to develop and provide training in addition to that currently on the approved eligible training provider list, and continued status as a work-flex state.

Specific details regarding the state's waiver requests are outlined in Section X.C.

VI. Major State Policies And Requirements

Describe major State policies and requirements that have been established to direct and support the development of a statewide workforce investment system not described elsewhere in this Plan as outlined below.

VI.A. What State policies and systems are in place or planned to support common data collection and reporting processes, information management, integrated service delivery, and performance management?

State policies require the use of the statewide One-Stop Management Information System (OSMIS). The OSMIS is a common data collection system. The state publishes monthly and quarterly reports based on the OSMIS. This information allows the state and local areas to manage program operations and performance outcomes. One-Stop centers are able to integrate service delivery by using one common data collection system to manage the flow of information required for eligibility determination, service and training strategies, and outcome and customer satisfaction results.

VI.B. What State policies are in place that promote efficient use of administrative resources such as requiring more co-location and fewer affiliate sites in local One-Stop systems to eliminate duplicative facility and operational costs or to require a single administrative structure at the local level to support local boards and to be the fiscal agent for WIA funds to avoid duplicative administrative costs that could otherwise be used for service delivery and training? The State may include administrative cost controls, plans, reductions, and targets for reductions if it has established them.

The Michigan Works! Service Centers (MWSCs) provide one-stop access to key workforce investment programs and partners, promoting seamless service delivery to employers, students, persons with disabilities, veterans, welfare recipients, migrant and seasonal farm workers, ex-offenders, unemployed underemployed, and employed individuals. To ensure that MWSCs offer a standard array of quality services that promote collaboration and coordination of services, MWSCs are certified biennially utilizing criteria in the state policy "Certification Criteria for Michigan Works! Service Centers." The MWSCs are certified using a process of self-assessment, a plan narrative, and on-site reviews. See Attachment C.

VI.C. What State policies are in place to promote universal access and consistency of service statewide?

The State of Michigan recognizes the value of diversity and is committed to developing a statewide culture that continuously promotes universal access and equity and respect for differing customs, abilities, and beliefs of people who seek workforce services. All partners in the statewide delivery network are expected to create service environments that are welcoming and responsive to the cultural values of the communities they serve. Local Workforce Development Boards

(WDBs), as part of the continuing obligation to provide universal access, as defined in 29 CFR 37.42 of the nondiscrimination regulations, must ensure that members of both sexes, the various racial, ethnic, age groups, and individuals with disabilities are made aware of, and encouraged to participate in, agency sponsored programs and activities. State Equal Opportunity (EO) policy specifically requires that local boards:

- Develop an outreach and recruitment plan that outlines the specific activities (i.e. letter campaigns, special programs, job fairs, radio/television broadcasts, speaking engagements, public service announcements, billboards) that will be initiated to ensure that all substantial segments of the population are reached with information concerning Workforce Investment Act (WIA) and other workforce services.

- Maintain partnerships and network with agencies serving minority, female, aging, disability, community/faith-based organizations, Limited English Proficiencies, and other target group populations for program recruitment, information sharing, and input on effective strategies for ensuring the meaningful access of such groups to services provided through local service delivery networks.

In administering state workforce initiatives, all recipients are further encouraged by state EO policy to:

- Embrace the overall philosophy and implement, as locally deemed appropriate, the recommendations and best practices for ensuring a universally accessible service system outlined in the Michigan One-Stop Inclusion Workgroup Final Report. (The full report can be viewed at http://www.michigan.gov/documents/One_stop_Brochure_161797_7.pdf.)

- Incorporate into all local programs, plans, policies, and practices language that is reflective of the state's shared vision for universal access and inclusiveness.

- Host or participate in special observances designed to enhance cultural awareness and celebrate the workforce contributions and achievements of protected and ethnic group communities.

To promote consistency in universal service standards, the state has also adopted the Certification Criteria for Michigan Works! Service Centers (Attachment C). This document provides the framework for service delivery within Michigan's approximately 100 One-Stops. A MWSC is a location where all core services are accessible by employers and job seekers, and where services from workforce development programs are collocated for easy customer access. Service centers may be supplemented with satellite offices, which offer varying combinations of core services, intensive services, and training services. Conceptually, the Michigan Works! System is to be a composite of service centers and satellite offices, establishing multiple approaches to services that permit expansion of service delivery to every community and all customers. The system is governed

locally by a partnership between the WDB and the Local Elected Official(s). This partnership is responsible for the design of a local system that meets customers' needs and the certification criteria. While local partnerships have direct control over the majority of programs included in the system through the receipt of funds, local partnerships also influence the expenditure of other funds that impact the education, training, and employment of the workforce. The local service area must have an integrated system of customer access and awareness, including a common telephone number, common publicity, a World Wide Web site, and other tools, as necessary, to ensure that the MWSC is highly visible and easy to locate and access.

To promote universal access and consistency of service throughout Michigan, the certification criteria policy provides two service delivery options available for local system design:

- Service Center(s) Model – agencies are actually physically located in the same building, integrated and/or linked electronically.

- Service Center(s) and Satellite Office(s) Model – main service center location(s) and other point(s) of entry that link to the main center.

Within the required system design, at a minimum, each Michigan Works! region must have at least one MWSC, which is a physical location that:

- Provides at least "core" services for both employers and job seekers.

- Have all of the required programs physically located at a site. For the program to be determined physically located it must offer, at a minimum, the services noted in the Certification Criteria for Michigan Works! Service Centers (Attachment C).

VI.D. **What policies support a demand-driven approach, as described in Part I. "Demand-driven Workforce Investment System", to workforce development – such as training on the economy and labor market data for local Board and One-Stop Career Center staff?**

The following tools and policies help support the state's demand-driven approach to workforce development:

- Michigan's website, the Michigan Career Portal or MI Careers, provides state and national employment, career, education, training, and business resources and services to local WDBs, MWSCs, and the state's citizens. The site also contains links to numerous other Internet-based resources beneficial to the state's workforce.

- MI Careers is accessible at all One-Stop Service Centers, as well as libraries, schools, worksites, homes, and wherever the Internet is available. It provides a wealth of information on occupations, employment opportunities, career

planning, skills assessment, and other related resources. Examples of other state-developed websites that link to MI Careers include: the Labor Market Information (LMI) website and the Career Education Consumer Report (CECR) system.

- The LMI website is the state's source for a wide array of information on Michigan's labor market, including information on the state's labor force, unemployment, wages, industry employment, and occupational employment. DLEG's Labor Market Information and Strategic Initiative Unit also produce a monthly analytical newsletter, products for employers, and detailed planning documents prepared for each of the state's 25 WDBs. Furthermore, Regional Labor Market Analysts provide customers with a regional contact for a wide range of labor market services. Other services provided include training sessions on the use of labor market information and presentations and conferences on labor supply and demand issues.

- The CECR (viewable at www.mycareereducation.org) was developed with the twin goals of fulfilling the consumer-reporting provisions of the WIA and extending the information benefits envisioned by the WIA to the Michigan population at large. The CECR is an Internet-accessible database and serves as a valuable resource of occupational training information and a supportive tool for use in developing the 21st century workforce needed to grow Michigan's economy.

Additionally, state initiatives require the use of state and local economic and labor market data when proposing the utilization of public funding. For example, proposals submitted to the state for the Michigan Regional Skill Alliances (MiRSA) initiative must demonstrate support of a demand-driven approach. MiRSA proposals are required to demonstrate that the industry sector identified contributes significantly to the local economy. The proposals are to demonstrate that the industry is one facing skill shortages, or one of local importance. Documentation is required. The state provided assistance in obtaining the regional labor market information data for industries selected by the applicants.

By supporting MiRSAs, the State of Michigan is embarking on a workforce and business development strategy, which builds upon several principles of WIA, including flexibility, local control, and being demand-driven. By directly engaging business representatives at the local level, MiRSAs focus on resolving employers' salient issues related to economic health and competitiveness.

MiRSAs bring not only business, but also all relevant local partners to the table: educational institutions, economic development agencies, the public workforce investment system, and other entities, as appropriate. In addition to being guided by employer-defined workforce needs, this approach innovates by engaging all relevant stakeholders in a partnership to develop local solutions to workforce issues on a sector-by-sector basis. MiRSAs will provide a forum upon which local WDBs can build capacity to address or be a partner in sectoral initiatives,

thereby ensuring resources are maximized. MiRSAs can also be used as a tool to support business-led WDBs' regional strategic plans.

Through the MI Opportunity Partnership, employers are targeted to work in partnership with the state to fill job vacancies. Employers will identify their labor force needs, including existing vacancies to identify required occupational skill sets and training needs. Michigan implemented a targeted marketing campaign that includes contacts with over 268,000 individual employers, business, and occupational associations through site visits, formal presentation, letters, and surveys. This effort is an expansion of activities already ongoing though the state's workforce system and includes the development of a statewide Management Information System to track all referrals and follow-up activities. Included in this tracking are jobs opened, jobs pledged, and jobs filled. The jobs are broken down by industry and occupation. The system also identified those employers that have been targeted as being industries with high growth potential.

VI.E. **What policies are in place to ensure that the resources available through the Federal and/or State apprenticeship programs and the Job Corps are fully integrated with the State's One-Stop delivery system?**

The director of the Department of Labor & Economic Growth/Bureau of Workforce Programs (DLEG/BWP) established an Apprenticeship Workgroup consisting of staff from BWP, Michigan State Housing Development Authority, U.S. Department of Labor's Bureau of Apprenticeship, Michigan Rehabilitation Services, Department of Corrections, Governor's Office, DLEG Career Education Programs, DLEG Commercial Services, and Michigan Works! Agency representatives to develop an apprenticeship strategy consistent with the Governor's strategy to ensure that children in school and adults in the workforce have the skills they need to fill both jobs of the future and vacancies that exist in Michigan today. The Workgroup has developed recommendations and an action plan to increase employer participation in apprenticeships, improve availability of information on apprenticeship openings, and strengthen linkage between Career Tech (K-12) and community college programs related to apprenticeships. The recommendations to more fully integrate and utilize apprenticeships are currently under review.

During the discussions of the Workgroup it has become clear that the partnership between the three Job Corps Centers in Michigan (Detroit, Flint, and Grand Rapids) and the Michigan workforce system could be strengthened. The director of the DLEG/BWP and staff visited the Flint Job Corps center and met with the directors of all three centers to explore better linkages in the area of apprenticeships. The current coordination between the Flint Job Corps and the local workforce system provided examples of positive outcomes when coordination exists. This partnership should continue to strengthen with continued communication between federal, state, and local partners, and the appointment of a Job Corps director to the Council for Labor & Economic Growth.

Certification Criteria for Michigan Works! Service Centers require that where available, WIA Title I Job Corps will be included in the local Michigan Works! System. This may be accomplished by collocating at the Service Center or through referral. To be certified, One-Stop Centers must adhere to criteria found in the state policy (Attachment C).

VII. Integration Of One-Stop Service Delivery

Describe the actions the State has taken to ensure an integrated One-Stop service delivery system statewide.

VII.A. What State policies and procedures are in place to ensure the quality of service delivery through One-Stop Centers such as development of minimum guidelines for operating comprehensive One-Stop Centers, competencies for One-Stop Career Center staff or development of a certification process for One-Stop Centers?

As previously stated, the Certification Criteria for Michigan Works! Service Centers (MWSCs) provides the framework for the approximately 100 One-Stops. MWSCs are certified biennially using a process including self-assessment, a plan narrative, and on-site reviews. The MWSCs will first conduct a self-assessment utilizing the Michigan Works! Service Center Self–Assessment Checklist. This self-assessment is meant as a reflective exercise to assist the Michigan Works! Agency (MWA) in understanding how far it may be from meeting or exceeding the criteria in state policy. Each MWA will then complete a Service Center Delivery System Narrative that describes their local delivery system. An on-site review from designated state staff will then occur after receipt of the Service Center Delivery System Narrative and corresponding self-assessment checklist to certify that the MWSC currently and will continue to meet and exceed the certification criteria over the next year. The Certification Criteria for Michigan Works! Service Centers policy is included as Attachment C.

VII.B. What policies or guidance has the State issued to support maximum integration of service delivery through the One-Stop delivery system for both business customers and individual customers?

As described earlier in the plan, integrated service delivery and a collaborative effort by partners to deliver services is a requisite of the state policy Certification Criteria for Michigan Works! Service Centers. Currently there is full collaboration with all required and optional partners within the MWSCs. Local Workforce Development Boards (WDBs) will continue this collaboration among partners to ensure resources are used to maximize the number of businesses and individuals served and services provided to each. This will be carried out through Memorandums of Understanding (MOUs) that have been executed between all of the required partners (not administered through DLEG/BWP) and the local WDBs. The MOUs outline the services that are provided, funding of the services, and operating costs of the system. Costs are shared among the many partners via operating cost agreements based on cost allocation plans.

VII.C. **What action has the State taken to promote identifying One-Stop infrastructure costs and developing models or strategies for local use that support integration?**

As previously discussed, Certification Criteria for Michigan Works! Service Centers (Attachment C) provides the framework for approximately 100 MWSCs. Integrated service delivery is a key component of a demand-driven workforce investment system. Service integration ensures that program and community resources are utilized effectively to create human capital solutions for businesses, industry, and individual customers.

The criteria outlined in state policy ensure the integration of services across agencies and programs, replacing fragmentation and duplication with coordination and consolidation, and the maximum utilization of resources through collocation and shared operating costs.

The Certification Criteria for Michigan Works! Service requires that the following program services are collocated and delivered at the MWSCs:

- Workforce Investment Act (WIA) Title I Adult
- WIA Title I Dislocated Worker
- Employment Service
- Veterans Employment Service
- Vocational Rehabilitation
- Trade Adjustment Assistance

The following program services are also available, at a minimum, through collocation or referral:

- WIA Title I Youth
- Work First
- Food Assistance Employment and Training
- Unemployment Insurance
- Senior Community Service Employment Program
- Career Preparation
- Secondary and/or Postsecondary Career and Technical Education
- WIA Title II Adult Education and Literacy, and State Adult Education
- WIA Title I funded Migrant and Seasonal Farm Workers
- WIA Title I Job Corps
- WIA Title I Veterans
- WIA Title I Native Americans
- WIA Title I Youth Opportunity Grants
- Community Services Block Grant Employment and Training
- Housing and Urban Development Employment and Training

However, true integration goes beyond collocation of system partners. MWSCs must allocate resources for system operation that go beyond program funding. WDBs must ensure that the local delivery system also addresses:

- The contributions of appropriate staff positions by required programs and other locally determined partners to an integrated service delivery system, often requiring the way work is performed.

- The contribution of required programs and other locally determined partners of buildings, equipment, and other assets to the larger picture of integrated programming.

In addition, making customer information readily accessibly to all one-stop partners best supports integrated service delivery. Common, open, and linked systems conserve resources and help provide a common statewide identity for the MWSCs. For these reasons, each local system must incorporate the following features:

- Conduct statewide labor exchange via the Michigan Talent Bank.

- Tracking of information through the use of the state-developed One-Stop Management Information System (OSMIS) or other state-approved centralized, integrated management information system capable of allowing shared access to participant records among service delivery programs and partners.

The WDBs may also decide to implement the following on a local level:

- Use technology and automated systems to support information sharing in an integrated delivery system.

- Institute electronic transfer of program-specific data into individual program reporting systems.

VII.D. **How does the State use the funds reserved for statewide activities pursuant to Section 129(b)(2)(B) and 134(a)(2)(B)(v) to assist in the establishment and operation of One-Stop delivery systems?**

Michigan will utilize statewide activities funding to support the operation of the state's One-Stop delivery system. Funds may be used in support of all activities to improve customer service, inform and educate the public about the One-Stop delivery system, and upgrade facilities. The MWAs will ensure that the planned activities support local strategic plans. By allowing local flexibility to determine how funds are used, the state ensures that local needs are being addressed.

VII.E. **How does the State ensure the full spectrum of assets in the One-Stop delivery system support human capital solutions for businesses and individual customers broadly?**

As previously discussed, the state's One-Stop Certification Criteria was developed to integrate service delivery and require partners to create a collaborative effort to deliver services. In addition to the required partners, local MWAs are given the flexibility to add additional partners as necessary to meet the needs of their local workforce area, including employers and jobseekers. Examples of additional partner services include, but are not limited to: Chamber of Commerce, banking institutions, child care centers, legal services, crime prevention services, tax assistance, health information, and energy assistance programs.

The Career Education Consumer Report (CECR) viewable at www.mycareereducation.org was developed with the twin goals of fulfilling the consumer-reporting provisions of the WIA and extending the information benefits envisioned by the WIA to the Michigan population at large. The CECR is an Internet-accessible database that is used to gather specific information, primarily about programs of study, from providers of postsecondary training and education, to review the information and control its quality, and to display the information to businesses and individuals searching for information about training opportunities.

Although the CECR fulfills the WIA's consumer-reporting requirements, the website was never intended to be a service focused exclusively on Individual Training Account (ITA) recipients. In order to extend the full benefits of the CECR to all Michigan residents, the DLEG invites all schools to post programs on the CECR without any expectation that they will seek or achieve eligibility to serve students whose training will be paid for with an ITA. The CECR is intended to be a resource for the public at large that facilitates the choice of a postsecondary education or training program based on consumer-relevant items including cost, location, and duration. The CECR is an attractive, user-friendly website that marries program-specific information to other career-relevant, Michigan-focused resources including the Michigan Occupational Information System and the labor-market information maintained by the DLEG-BWP. With the assistance of the contractor, the CECR was designed in early 2000 and opened for public use in July 2000. Since that time, the site has grown to include 7,290 programs submitted by community colleges, independent universities, proprietary schools, community-based organizations, and career centers affiliated with Intermediate School Districts. The CECR represents both progress and leadership by providing specific details on programs available at Michigan's postsecondary training institutions, interactive searching and sorting capabilities of those programs listed, and integrated labor-market information.

Additionally, waiver extensions will be sought to eliminate barriers that impede the state's ability to advance its One-Stop delivery system. Examples include increased flexibility with statewide rapid response reserve funds to operate an incumbent worker program and the use of a pilot eligible training provider rating

system. The extension of the pilot eligible training provider rating system waiver will empower customers when making training choices due to expanded training provider opportunities.

The state will continue to analyze the One-Stop delivery system functions and processes to identify and eliminate duplications as necessary.

VIII. Administration and Oversight Of Local Workforce Investment System

VIII.A. *Local Area Designations*

VIII.A.1. Identify the State's designated local workforce investment areas and the date of the most recent area designation, including whether the State is currently re-designating local areas pursuant to the end of the subsequent designation period for areas designated in the previous State Plan.

The geographical areas presently served by the 25 Michigan Works! Agencies (MWAs), as originally designated under the Job Training Partnership Act (JTPA), have been identified as the state's designated local workforce investment areas under the Workforce Investment Act (WIA).

Automatic Designation:	ASCET, City of Detroit, Macomb/St. Clair, Oakland, SEMCA
Temporary Designation:	Calhoun ISD, Central Area, Kalamazoo/St. Joseph, Northwest, Ottawa County, Thumb Area
Recommendation by State Board:	Berrien/Cass/Van Buren, Career Alliance, Capital Area, Saginaw/Midland/Bay, South Central, Washtenaw County, Eastern U.P., Job Force, Northeast, Western U.P., Livingston County, Muskegon County, Region 7B, West Central

The six areas identified as Temporary Designation have substantially met the local performance measures and sustained the fiscal integrity of the funds used by the area to carryout activities. Therefore, temporary designation scheduled to expire on June 30, 2007, shall be extended through June 30, 2009.

Those areas designated as Automatic and on the Recommendation of the State Board were originally designated in June 9, 1999.

VIII.A.2. Include a description of the process used to designate such areas. Describe how the State considered the extent to which such local areas are consistent with labor market areas: geographic areas served by local and intermediate education agencies, post-secondary education institutions and area vocational schools; and all other criteria identified in section 116(a)(1) in establishing area boundaries, to assure coordinated planning. Describe the State Board's role, including all recommendations made on local designation requests pursuant to section 116(a)(4).

MWAs were designated as local workforce investment areas under the WIA within one of the three different categories. They are:

1. Automatic Designation: The Governor shall approve any request for designation as a local area from any unit of general local government with a population of 500,000 or more; or

2. Temporary Designation: The Governor shall approve an area for designation as a local area from any unit of general local government (including a combination of such units) with a population of 200,000 or more that was a service delivery area under the JTPA and performed successfully, in each of the last two years in the delivery of services to participants under part A of title II and title III of the JTPA, and has sustained the fiscal integrity of the funds used by the area to carry out activities under such part and title; or

3. Designation on the Recommendation of State Board: The Governor may approve a request from any unit of general local government (including a combination of such units) for designation (including temporary designation) as a local area if the state board determines that such area should be designated, taking into account the following factors:

    a. Geographic areas served by local educational agencies and intermediate educational agencies;

    b. Geographic areas served by postsecondary educational institutions and area vocational education schools;

    c. Extent to which such local areas are consistent with labor market areas; and

    d. Distance that individuals will need to travel to receive services provided in such local areas.

The state did not receive any requests from unit(s) of general local government for designation as a local area. The state compared the designation requirements with the population and performance history of the MWAs under the JTPA. Subsequently, with the assistance of the State Board, the 25 Michigan Works! areas were identified as local workforce development areas. It is the view of the state that the present Michigan Works! governance structure has and will continue to result in a strong private sector lead, helping the state achieve its workforce and economic strategies and initiatives.

VIII.A.3. **Describe the appeals process used by the State to hear appeals of local area designations referred to in §112 (b)(5) and 116(a)(5).**

No appeals were made in the designation of local workforce investment areas. However, if an appeal is made, the State of Michigan will use the appeals process in accordance with Section 116(a)(5) of the WIA.

VIII.B. **Local Workforce Investment Boards -- Identify the criteria the State has established to be used by the chief elected official(s) in the local areas for the appointment of local board members based on the requirements of section 117.**

Chief Elected Officials (CEOs) make all appointments to the Workforce Development Boards (WDBs), based upon nominations received from local entities representing the sector for the appointment. CEOs shall ensure that all appointees reflect the broad scope and mission, and that the sector is represented within the geographical borders of the WDB. The WDB members shall be appointed for fixed and staggered terms and may serve until their successor is appointed. Private sector representatives shall be selected from among individuals nominated by general-purpose business organizations (i.e., Chamber of Commerce), after the organization consults with and receives recommendations from other business organizations in the MWA area. The number of such nominations shall be at least 150 percent of the number of individuals to be appointed. Such nominations, and the individuals selected from such nominations, shall reasonably represent the industrial and demographic composition of the business community.

The education representatives shall be selected among individuals nominated by regional or local educational agencies, vocational education institutions, institutions of higher education (including entities offering adult education), or general organizations of such institutions. The local Education Advisory Group (established under State of Michigan, P.A. 93 of 1997) may choose, by a majority vote, to nominate one of the two required education representatives.

The labor representative shall be selected from individuals recommended by recognized state or local labor federations. If the state or local labor federation fails to nominate a sufficient number of individuals to meet the labor representation requirements, an individual worker that is a member of a union may be included on the board to complete the labor representation.

The remaining members of the WDB shall be selected from individuals recommended by interested organizations.

Michigan does not intend to develop further policy concerning the nomination and selection of WDB members because it would limit the ability of the local areas to efficiently utilize the organizations and individuals located in their specific geographic area. Michigan believes that each local area has its own unique business and workforce training environment, which can best be optimized by those who operate in that environment.

VIII.C. **How will your State build the capacity of Local Boards to develop and manage high performing local workforce investment system?**

The state will utilize WIA funding to support local capacity building and professional development. The funding will be used to increase proficiency in

meeting WIA performance measures, local program goals, and ongoing system development. Local boards will ensure the funding addresses the goals of local strategic plans and the needs of local employers for a trained workforce.

The Michigan Works! Association will assist the state in building the capacity of its workforce development system. The Association, which is recognized nationally as the largest workforce development association in the country, was established in 1987 to foster high-quality employment and training programs by providing support activities and a forum of information exchange for Michigan's workforce development system.

Through the association, local WDBs are able to maximize communication among workforce development professionals across the state, coordinate efforts on statewide projects, and receive important technical assistance and staff training to ensure high quality program and service delivery.

Other capacity building strategies focus on strengthening the knowledge and skills of the board members and increasing the capacity of their staff. Similar investments in other states have paid substantial dividends in terms of accelerating the maturation of workforce boards as strategic coalition builders and facilitators. We believe the same result will occur in Michigan.

To this end, the Council for Labor and Economic Growth (CLEG), with the support of the Department of Labor & Economic Growth (DLEG), the Michigan Works! Association, and the Charles Stewart Mott Foundation worked with WDBs, local elected officials, and directors to challenge local WDBs to become stronger in their capacity to identify issues, build coalitions, catalyze action, and get results that positively impact the development of their communities. This endeavor was initiated by a survey sent to all local Workforce Development Board (WDBs) members in Michigan. There were 215 responses received to the survey, which were used as a tool to assess, strategize, and to develop the actual training sessions. The CLEG's Accelerating Re-Employment/Workforce Systems (ARWS) Committee served as the venue for encouraging workforce board development and for sustaining an ongoing dialogue with local WDBs in order to align state and local strategies and to increase the impact of all concerned. Furthermore, ARWS committee members were involved in Regional Workforce Leadership Seminars and MWA Director Leadership Seminars designed to develop and strengthen the leadership capacity of local elected officials, WDB members, and WDB directors.

Regional Workforce Leadership Seminars were convened to further develop the leadership capacity of WDBs, local elected officials, and WDB directors. The seminar's overall objectives achieved:

1. Setting a context and expectation for focusing the work of WDBs at a strategic leadership level, and

2. Creating shared meaning and alignment about how WDBs can be effective leaders.

Seminar objectives for WDB members and directors:

1. Increase the ability of WDB members to be effective leaders in the context of workforce investment.

2. Improve the ability of participants to lead and build lasting coalitions capable of "moving the needle" on major challenges.

3. Develop a framework for a local initiative that illustrates the broader strategic direction.

4. Develop a framework for aligning the work of the local WDB with local economic and community development.

5. Increase the ability of WDBs to use labor market and economic information to understand the issues and choices in the community, to develop strategies, allocate resources, and take effective action.

6. Increase understanding of the roles WDB staff can play in supporting and leading strategic work undertaken by the board.

Seminar objectives for local elected officials:

1. Increase the understanding of the purpose and potential results that can derive from challenging their WDBs to operate at a leadership level.

2. Increase the understanding of the types of individuals who strengthen a WDB's ability to be a strategic leadership group.

3. Build an understanding of the results that should be expected from this type of work, and how it differs from oversight of workforce programs and services.

The seminars were held in five regions throughout the state. Teams from approximately five WDBs, board staff, and local elected officials attended each regional seminar. The seminar involved highly interactive working meetings, with a mix of full group sessions to set common context and breakouts of the three audiences to focus on their own role and choices, with the opportunity to inform each other of their ideas. The sessions centered on fostering innovative approaches to addressing the regional workforce needs, and how the CLEG and the local boards could work together in transitioning to a new economy in Michigan. Each team created an action strategy to take to the full WDB for engagement and decisions. The WDB members spent a portion of the day working with peers from other boards and a portion working with the team from their own board.

Expected measures and outcomes achieved:

- Increased development of strategic local initiatives led by WDBs.
- Boards perceived as trusted conveners and catalysts by their partners.
- Strong alignment between WDBs and the CLEG.
- Increased participation by private sector members within the WDBs.

In addition to the regional seminars, MWA Director's Leadership Seminars were conducted to strengthen the leadership capacity among WDB directors through a learning network comprised of a mix of newer and experienced directors. The Leadership Seminar's objectives achieved:

- Build the leadership abilities of participating directors.
- Develop a strong leadership capacity across the state.
- Develop strategies for moving the statewide workforce development system in a more strategic direction.
- Provide strong leadership to increase the capacity of local WDBs to realize their potential to effectively impact difficult challenges in their communities. The leadership seminars were structured to facilitate and focus on leadership roles. Members were engaged in a blend of peer-to-peer learning and support, in reflecting on and learning from their collective experiences, in developing models, frameworks, and approaches to the work of WDBs, in gaining tools helpful in doing that work, and in focusing on the implications and changes required to increase their effectiveness as staff to a leadership board.

Expected measures and outcomes achieved:

- Strong alignment between WDBs and the CLEG.
- Network members strengthen their understanding of the potential roles their boards can play.
- Members focus their boards on achieving community impact on key issues.
- Members identify and build skill in staffing a volunteer community leadership board to achieve catalytic results.
- Concepts developed in the local area adopted by non-member WDBs and directors.

The two MWA Director Leadership Seminars followed the five regional seminars. Seminar participants discussed the following:

- Understanding Michigan's changing economy and its implications for MWAs;

- Building on current leadership skills and identifying opportunities for developing new skills and strategies; and

- Identifying new roles and strategies for the MWAs that position the organizations to play an increasingly essential and effective role in regional workforce and economic development.

Sessions addressed leadership role models where individuals were asked to identify some of the best and worst examples of leadership.

Different styles of leaders were also examined. The visionary role was explained as a leader who possesses the ability to imagine how a country, society, industry, organization, etc. will develop in the future and be able to plan for it in a suitable way. Values are also a large part of the visionary process. Creating principles or standards by which a leader could assess their activities against was introduced into the value section. The process of moving from a personal vision to a shared vision was examined and explained.

The strategist role was the second role examined. The role included expertise in leveraging of resources, being an authority on subject material, collaboration, planning, research, and evaluation. Defining a vision is very important and can help foster a strategic direction.

The directors were encouraged to systematically move their plans forward by paying attention to current and new staff (appropriateness, skill levels, training needs, etc.) using targeted marketing, learning from best-practice models, and by listening to customers.

Follow-up to this project is being conducted by DLEG staff attendance at local WDB meetings.

VIII.D. **Local Planning Process -- Describe the State mandated requirements for local workforce areas' strategic planning. What assistance does the State provide to local areas to facilitate this process, including:**

The state provides and publishes policy instruction to all the local service delivery areas in Michigan to use as guidelines for the development of local strategic plans. The policy is based on current federal law and regulation and the strategic initiatives of the state. The following are required components of each local area's strategic plan:

- Labor market analysis;

- Description of the local workforce development system, including how mandated program and services will be coordinated and duplication avoided;

- Local performance measure values;

- Adult, dislocated worker, and youth employment and training activities; and
- Review, comment, and publication documentation.

The policy issuance allows local areas flexibility to develop their own initiatives and processes to both effectively and efficiently serves their local workforce population while ensuring coordination with the state's current strategic initiatives and programs. State program coordinators are available to provide assistance for agencies as they develop and implement their strategic plans.

VIII.D.1. **What oversight of the local planning process is provided, including receipt and review of plans and negotiation of performance agreements?**

The state has staff dedicated to the administration of WIA programs. Identified staff provides technical assistance and training regarding policy interpretation. Staff is available to the local areas throughout the entire plan development process. Additional staff from outside the WIA program area may also provide assistance to ensure guidance is available to local areas to enable them to develop an effective and coordinated plan.

Additionally, the state and local MWAs participate in workgroup meetings on a quarterly basis regarding plan development, finance and participant reporting. Meetings are attended by state staff, local administrative staff, and local contractual staff and act as open forums to discuss issues and questions promoting overall coordination between the state and local areas in the preparation and implementation of strategic plans.

Oversight is also provided in the negotiations of WIA performance measures. As a beginning baseline, MWAs must submit performance measure values for each measure taking into account previous program year outcomes. The recommended levels must be reasonable and defendable through the analysis of local labor market information and must demonstrate continuous improvement. The DLEG staff will contact local MWAs and provide assistance where justification is not sufficient to support requested levels. This oversight also allows the state the opportunity to determine if renegotiation of performance levels with the federal government is warranted. The implementation of any performance measures is subject to the state's successful negotiation with U.S. Department of Labor.

VIII.D.2. **How does the local plan approval process ensure that local plans are consistent with State performance goals and State strategic direction?**

The state requires that once local strategic plans have been developed, they be submitted to the State for review and approval. The first phase of this review provides the WIA staff an opportunity to evaluate the plan's effectiveness in meeting the program and legal requirements. It also allows them to evaluate the plan's level of coordination with the current strategic initiatives of both the state and federal government.

This review process also allows the WIA program staff the opportunity to seek comment from other staff whose field of expertise is different from, but still supports the efforts of the WIA. This would include review by staff operating and administering the One-Stop Management Information System, staff that coordinates the activities of both the state and local WDBs, and financial reporting staff.

Following these various reviews, the state may request revisions or additions to the submitted strategic plans. If local areas require assistance in the development of the requested revisions, the same staff that evaluated the original plan is available to provide technical assistance.

VIII.E. ***Regional Planning***

VIII.E.1. **Describe any intra-State or inter-State regions and their corresponding performance measures.**

The State of Michigan elected to not require regional planning by local boards for a designated region.

VIII.E.2. **Include a discussion of the purpose of these designations and the activities (such as regional planning, information sharing and/or coordination activities) that will occur to help improve performance. For example, regional planning efforts could result in the sharing of labor market information or in the coordination of transportation and support services across the boundaries of local areas.**

Not Applicable

VIII.E.3. **For inter-State regions (if applicable), describe the roles of the respective Governors and State and local Boards.**

Not Applicable

VIII.F. ***Allocation Formulas***

VIII.F.1. **If applicable, describe the methods and factors (including weights assigned to each factor) your State will use to distribute funds to local areas for the 30% discretionary formula adult employment and training funds and youth funds pursuant to §§ 128(b)(3)(B) and 133(b)(3)(B).**

Not applicable, as the State of Michigan does not use the 30 percent discretionary formula for adult and youth funds.

VIII.F.2. **Describe how the allocation methods and factors help ensure that funds are distributed equitably throughout the State and that there will be no significant shifts in funding levels to a local area on a year-to-year basis.**

The state will ensure that funds are distributed equitably by distributing a minimum of 85 percent of the state's WIA adult and youth allotment and at least 60 percent of the state's WIA dislocated worker funds by formula. By distributing the bulk of WIA funds by formula, equitable treatment of local areas is ensured. Furthermore, by utilizing a hold harmless provision in the formula, the state will ensure that a local area will not receive an adult or youth allocation amount that is less than 90 percent of the average allocation of the local area for the two preceding fiscal years.

VIII.F.3. **Describe the State's allocation formula for dislocated worker funds under Section 133(b)(2)(B).**

The Governor has chosen to use the following formula to distribute dislocated worker funds:

- Insured unemployment data weighted at 5 percent. Data represents the number of unemployed insurance benefits regular program first payments for the latest fiscal year.

- Unemployment concentrations data weighted at 30 percent. Data represents the average number of unemployed individuals for the latest fiscal year.

- Plant closing and mass layoff data weighted at 5 percent. Data represents the total number of reported layoffs covered under the Worker Adjustment and Retraining Notification Act for the latest program year.

- Declining industries data weighted at 5 percent. Data represents the total reduction in employment for those North American Industrial Classification System industries in Michigan with a statewide reduction in employment for the latest three program years.

- Farmer-rancher economic hardship data weighted at 5 percent. Data represents the total number of farms with at least a 40 percent debt-to-asset ratio.

- Long-term unemployment data weighted at 20 percent. Data represents the total number of Unemployment Insurance (UI) benefits regular program exhaustions for the latest fiscal year.

- Excess unemployment data weighted at 30 percent. Data represents the average number of unemployed individuals in excess of 4.5 percent of the total labor force for the latest fiscal year.

VIII.F.4. **Describe how the individuals and entities on the State board were involved in the development of the methods and factors, and how the State consulted with chief elected officials in local areas throughout the State in determining such distribution.**

The State Board was involved in the development of the WIA funding factors. The DLEG staff presented tables to the board detailing the anticipated impact of funding factors on the allocation of funds to local areas. Staff discussed with the board the advantages and disadvantages of modifying the definition, weighting, and number of funding factors. The funding factors were approved by the board and adopted by the DLEG, who acts on behalf of the Governor.

Consultation with local boards and local elected officials occurred through auspices of the local workforce development directors. MWA directors were consulted regarding the anticipated impact of funding factors on the distribution of WIA Title I funds. The directors were encouraged to consult with local boards and local elected officials regarding the formula allocation.

VIII.G. ***Provider Selection Policies***

VIII.G.1. **Identify the policies and procedures, to be applied by local areas, for determining eligibility of local level training providers, how performance information will be used to determine continuing eligibility and the agency responsible for carrying out these activities**.

The DLEG is the agency responsible for carrying out these activities. Policies and procedures regarding the State's eligible training provider system are provided in Attachment E.

VIII.G.2. **Describe how the State solicited recommendations from local boards and training providers and interested members of the public, including representatives of business and labor organizations, in the development of these policies and procedures.**

The DLEG worked with institutions that provide occupational learning to design a practical and constructive way to implement this system. An advisory council of educators representing the Michigan Community College Association, the Michigan Association of Career Schools, the Association of Independent Colleges and Universities, the President's Council, the Michigan Association of Community and Adult Education and the MWAs, as well as staff from the DLEG was established to solicit recommendations for the design of the state's eligible training provider system.

VIII.G.3. **Describe how the State will update and expand the State's eligible training provider list to ensure it has the most current list of providers to meet the training needs of customers?**

A State contracted vendor is responsible for the implementation and maintenance of the automated service provider system. In the State of Michigan this system is the Career Education Consumer Report (CECR) system. Information submitted by local providers to the vendor is processed into a web-based system that is available on the Internet for public access, www.mycareereducation.org. Automated program submission, approval, and renewal processes keep the site content accurate and up-to-date. The vendor markets the system to training providers throughout the State and audits the submitted data for accuracy. To date, the site has grown to include 7,290 programs submitted by 853 community colleges, independent universities, proprietary schools, community-based organizations, and career centers affiliated with intermediate school districts. The state evaluates program content to ensure that providers continue to meet established performance criteria.

While the diverse training opportunities and search features of the current system render the CECR a progressive resource, the state continuously reviews options for improving and expanding the system for citizens at large, career counselors serving adults and youth, and business and industry. One such opportunity is to expand the quantity of programs within the database, resulting in a more comprehensive tool. The state is currently working with the system contractor and exploring the feasibility to include a complete "program inventory" of all Michigan training programs resulting in a One-Stop source of career information.

VIII.G.4. **Describe the procedures the Governor has established for providers of training services to appeal a denial of eligibility by the local board or the designated State agency, a termination of eligibility or other action by the board or agency, or a denial of eligibility by a One-Stop operator. Such procedures must include the opportunity for a hearing and time limits to ensure prompt resolution.**

Service providers who are denied eligibility or determined, upon audit, to have provided inaccurate data for the purpose of becoming an approved trainer, fail to meet the state established performance criteria, or substantially violate any WIA requirement will be removed from the statewide provider list. Before this action is taken, the provider will be notified of the intent to be removed and will maintain the right to an appeal. Please refer to Attachment F for the state's grievance procedure used in the event that a service provider is denied eligibility and appeals such denial.

VIII.G.5. **Describe the competitive and non-competitive processes that will be used at the State level to award grants and contracts for activities under Title I of WIA, including how potential bidders are being made aware of the availability of grants and contracts.**

The DLEG issues its Request for Proposal (RFP) through either the program area (grants) or the Department of Management and Budget (contracts). The procedures followed are in compliance with the Office of Management (OMB) and Budget circulars. Once responses to the RFP are received, a committee consisting of two members from the DLEG Bureau of Workforce Programs (BWP), as well as one member from another program area (for grants) or staff from the Department of Management and Budget (for contracts), evaluate and score the RFP responses based on pre-determined criteria and scoring system. The committee will open the sealed envelopes containing bid amounts from the vendors reaching the required threshold. The low bidder will be awarded the contract.

The State of Michigan follows the procedures within the Procurement regulations, 29 CFR, at Section 97.36(d)(4) when utilizing a non-competitive grant and/or contract.

Wagner-Peyser Employment Service (ES) grants are awarded by the DLEG-BWP, to local WDBs (MWAs) in accordance with Executive Order 1997-18, which has the effect of Michigan law. Public, merit-based Wagner-Peyser ES service providers are individually and competitively selected by the boards in accordance with the settlement agreement documents between the State of Michigan and the USDOL, dated July 31 and October 13, 1998.

Potential bidders are made aware of the availability of grants and contracts on the Department of Management and Budget website and the DLEG website. DLEG also maintains a potential bidders list for select WIA programs. All MWA directors and potential bidders appearing on the DLEG lists are mailed RFPs via the US Postal Service.

VIII.G.6. **Identify the criteria to be used by local boards in awarding grants for youth activities, including criteria that the Governor and local boards will use to identify effective and ineffective youth activities and providers of such activities.**

Local MWAs shall maintain a written procurement policy, which shall apply in the selection of service providers and vendors for all procurements utilizing DLEG-BWP funds. All procurements utilizing DLEG-BWP funding sources must comply with the DLEG's procurement policy (Attachment G), specific grant requirements, all applicable OMB circulars, and all regulations specific to the funding source(s) used. MWAs shall conduct procurement procedures in such a manner that provides full and open competition.

To evaluate effective and ineffective youth activities and the providers of such activities, annually, the state produces and disseminates to local WDBs WIA youth performance information by contractor. This information allows local WDBs the opportunity to make more informed decisions regarding youth service providers' overall programmatic performance. MWAs may also use performance information from providers who have previously administered such programs to determine if additional contracts should be awarded. Examples of additional effective youth provider criteria may include: fiscal responsibility, innovative program design, and ability to provide youth services that directly respond to local workforce and economic needs.

VIII.H. ***One-Stop Policies***

VIII.H.1. **Describe how the services provided by each of the required and optional One-Stop partners will be coordinated and made available through the One-Stop system. Include how the State will consolidate Wagner-Peyser Act funds to avoid duplication of core services.**

To be certified as a Michigan Works! Service Center (MWSC), local MWAs must meet criteria included in state policy Certification Criteria for Michigan Works! Service Centers (MWSCs). See Attachment C.

Collocation of service providers and the integration of services to the fullest extent possible are the priorities of the MWSCs. The MWSCs comprise a comprehensive subsystem within the state's workforce investment system of publicly and privately funded programs and services that addresses employers' needs for skilled workers and helps job seekers and other individuals find new jobs, retain employment, and advance their skills. A comprehensive strategy is used to break down barriers to promote the establishment of a service delivery system that is responsive to the needs of its customers. MWSCs provide services from the state's major workforce development programs that are accessible in a manner that is seamless to the customer. A single delivery system at the local level provides customers access to services in an integrated, rather than fragmented, manner.

Instances of coordination include:

- The use of a common, statewide 1-800 telephone number by the local systems as a method for initial customer contact with the system.
- MWSC's physical layout that is consumer-driven with services by function rather than program.
- Effective marketing of the Michigan Works! brand that will create awareness in the marketplace and establish expectations among Michigan Works! customers concerning the types of services provided at MWSCs. Only certified service centers may incorporate the MWSC name and logo as a common statewide identifier.

- Each office location must have a trained staff person: a receptionist, a greeter, and/or a disability navigator positioned at the entrance of the MWSC to direct customers upon entry and assist them in accessing various employment, workforce development, and related community services.

- A system of management and staff development must be in place that supports service integration and collocation principles.

- The distribution of materials to the MWAs' service center directors to assist in the development of the local Memoranda of Understanding (MOUs) required by the WIA. The MOUs set forth provisions that describe the services to be provided by the One-Stop provider, how the costs of such services and operating costs will be funded, and the methods of referral of individuals between the One-Stop operators and the One-Stop partners, which define how the coordination of services between the partners will be attained.

MWSCs provide one-stop access to key workforce investment programs and partners, promoting seamless service delivery to employers, students, persons with disabilities, veterans' welfare recipients, migrant and seasonal farm workers, ex-offenders, unemployed, under employed, and employed individuals. A core set of services will be available, at each MWSC location, free of charge, to all who seek them.

The local WDB has discretion, within the requirements, of the certification policy, to determine the local service delivery structure. Service Centers may be supplemented with satellite offices offering "core" services, "intensive" services, "training" services or any combination of such services. Local service delivery structure can be comprised of service centers and satellite offices that make use of various approaches to service that permit expansion of service delivery to every community and all customers.

To avoid duplication of core services, the DLEG-BWP consolidated Wagner-Peyser Act funds to merge and maintain a statewide electronic labor exchange system. The focus in Michigan is to provide as many self-service labor exchange options as possible through the Internet. The cost effective nature of this approach allows a greater portion of resources to be redirected to those targeted groups needing the most intensive services. Also, Internet based options are available 24 hours a day, 7 days a week, and accessible from any location. Using Wagner-Peyser Act funding, Michigan has developed three Internet service delivery options:

1. The Michigan Talent Bank (MTB) is Michigan's Internet-based self-service labor exchange system. The MTB allows employers to recruit and select qualified job seekers, and job seekers can post their resumes, view employer job listings, and apply for positions for which they are qualified. The MTB can be accessed from computers provided in the MWSCs or any computer connected to the Internet. The MTB allows for a direct link to America's Talent Bank. Consistent with Michigan's commitment to universal access to

automated labor exchange services, MWAs are required to ensure that any job seeker or employer who encounters barriers in using computer-based labor exchange services will be assisted and provided services. The MTB may be accessed at www.michworks.org.

2. The Career Portal is a collection of career-related hyperlinks containing information for anyone interested in a career in Michigan. The Michigan Career Portal is a gateway to state and national employment, career, education, training, and business resources and services such as the employment market, educational environment and labor information. The Michigan Career Portal contains many links, all designed to be self-service tools to both job seekers and employers. This website is available 24 hours a day, seven days a week. The Career Portal can be accessed on the Internet at www.michigan.gov/careers .

3. The Michigan Agricultural website is bilingual (English/Spanish) and helps provide information to Migrant Seasonal Farm Workers (MSFWs) throughout the State of Michigan. The website can be found on the Internet at www.michaglabor.org. Using this electronic information system enables Michigan to link with Ohio and other Region V states to better inform MSFWs of current job openings, H2A job orders, grower profiles, seasonal crop information, general service information, farm labor housing, future events, Head Start, child care, and migrant education centers. The website also includes a Migrant Health Services Directory and an Agricultural Employment Specialist (AES) Directory.

In 2005, Michigan also used Wagner-Peyser funds to upgrade the One Stop Management Information System (OSMIS) database to allow MTB users to self-register for mediated services. This self-registration process was designed to increase the number of services recorded in the OSMIS database and to improve the overall quality of mediated services reporting. These changes have enhanced program effectiveness and have helped to achieve budget and performance integration for workforce programs.

All three tiers of the Wagner-Peyser funded labor exchange services contracted to the MWAs fall within the category of core services. Some of the services retained and delivered by DLEG-BWP through the AES, Joint Workforce Initiative, Disabled Veterans Outreach Program, and Local Veterans Employment Representative staff is considered intensive services.

Core services to employers include:

- Assistance in finding qualified workers;
- Interview facilities at the Service Centers;
- Information on and referral to business start-up, retention and expansion services;
- Information on and referral to customized training programs; and

- Information on labor markets, workplace accommodations and tax credits for new hires.

Core services accessible to job seekers include:

- Job, career, and skill self-assessment tools and assessment services;
- Career, job, and labor market information;
- Resume writing software and support materials;
- Directories of human service agencies and employers;
- Information on starting a business, job fairs and career education;
- Michigan colleges financial aid, apprenticeships, occupational training, and workplace accommodations; and
- Information about unemployment insurance.

Integration of Wagner-Peyser funded services is further ensured through the use of the OSMIS. OSMIS is a database system with numerous key features and components. Each component makes use of a single applicant record that contains all of the information about that person. The OSMIS is web-based, enabling it to be accessed from any site that has an Internet connection. A login process maintains security for the system. Service providers enter services to customers into the OSMIS database as they are provided. Data can only be entered by and is only displayed to users who have permission to see and use the information. Information entered is available immediately after entering the data. OSMIS tracks all services provided to a claimant regardless of the provider or the provider's location. It is a flexible system that allows for the adding of modules or features with relative ease. Enhancements to the components of the OSMIS are implemented on a continuous basis to include USDOL-Employment & Training Administration reporting modification and to simplify data entry and tracking for all programs.

The current One-Stop programs represented in OSMIS are:

- Mediated Services
- Welfare Reform
- WIA
- Displaced Homemakers
- Trade Adjustment Assistance

In November 2006, the BWP rolled out upgrades to the OSMIS system to comply with Common Measures requirements mandated in Training and Employment Guidance Letter (TEGL) 28-04. Implementing common measures for programs with similar core purposes, i.e., helping people find jobs, helping them to remain employed, and helping them to increase their earnings has streamlined reporting methodology, made performance requirements more readily understandable, facilitated service delivery, and made the impact of various programs easier to assess.

VIII.H.2. **Describe how the State helps local areas identify areas needing improvement and how technical assistance will be provided.**

Areas requiring improvement are identified through WIA Compliance Monitoring conducted by the Internal Audit and Monitoring Division, WIA state coordinators' quarterly program reviews, and USDOL program monitoring and review.

WIA Coordinators' quarterly program reviews provide technical assistance, as appropriate, and ensure that MWA established policies, procedures, and systems achieve quality program outcomes meeting the requirements and objectives of the WIA, federal, and state regulations.

Specific objectives of the program review are:

- To determine if local WIA programmatic activities are designed in accordance with the WIA, federal regulations and directives, state policy issuances, and other applicable guidelines and goals.
- To provide local program guidance and direction to assist in providing quality workforce development services to customers.

Additionally, technical assistance is provided through quarterly planners, fiscal, and management information system user group meetings conducted by the Michigan Works! Association:

The Planners Users group convenes local level planners and represents program and planning staff from the MWAs and representatives from the DLEG. In addition to providing a venue for the exchange of information and ideas, the meetings provide an opportunity for MWA staff to review and discuss federal and state policies.

The Fiscal Users group is comprised of MWA fiscal staff and representatives from DLEG. The group reviews and discusses State and federal fiscal policies, and their applications in and implications for the workforce investment system.

The Management Information System Users group is composed of MWA and Service Center staff, and representatives from DLEG and other organizations. The group shares an exchange of information and ideas on the rapidly changing OSMIS system, and its utilization in supporting the state's workforce investment system.

VIII.H.3. **Identify any additional State mandated One-Stop partners (such as TANF or Food Assistance Employment and Training) and how their programs and services are integrated into the One-Stop Career Centers.**

In addition to the federally mandated One-Stop partners, the State of Michigan also requires access to Work First (partially funded with Temporary Assistance for Needy Families funding) and Food Assistance Employment and Training services, either at the service center or through referral. These additional services are required through the state developed One-Stop Certification Criteria. As previously discussed, local MWAs must ensure that the required partner programs are integrated into local MWSCs. This collocation of service providers and the integration of services enable employers and job seekers to successfully compete in today's economy and achieve economic security. Furthermore, the system provides a comprehensive strategy designed to break down barriers to promote the establishment of a service delivery system that is responsive to the needs of its' customers. This single delivery system at the local level provides customers with access to services in an integrated, rather than fragmented, manner.

VIII.I. **Oversight/Monitoring Process -- Describe the monitoring and oversight criteria and procedures the State utilizes to move the system toward the State's vision and achieve the goals identified above, such as the use of mystery shoppers, performance agreements.**

In addition to the compliance monitoring and program review described above in question VIII.H.2., the state conducts a Mystery Shopper program. The Mystery Shopper program is a tool for assessing the quality of customer service delivered to the public through the Michigan Works! system. The program conducts telephone and on-site surveys to approximately one hundred MWSCs across the state to assess whether services are being delivered to employers and job seekers in accordance with policies, procedures and the state's One-Stop Certification Criteria. Feedback is made available to the MWAs based upon the Mystery Shopper survey results. If an MWA receives an unsatisfactory review, a follow-up survey is conducted the following quarter. If an MWA receives two unsatisfactory reviews, corrective action is required to resolve the issue(s).

VIII.J. **Grievance Procedures. Attach a copy of the State's grievance procedures for participants and other affected parties (including service providers.)**

Please reference Attachment F.

VIII.K. ***Describe the following State policies or procedures that have been developed to facilitate effective local workforce investment systems***:

VIII.K.1. **State guidelines for the selection of One-Stop providers by local boards.**

The state has established guidelines for local boards in the selection of One-Stop providers in accordance with 20 CFR Sections 662.400, 662.410, 662.420, and

662.430 of the Federal Register. It will be left to the discretion of local boards to determine which process they will employ.

VIII.K.2. **Procedures to resolve impasse situations at the local level in developing memoranda of understanding (MOUs) to ensure full participation of all required partners in the One-Stop delivery system.**

The following procedures will be used to resolve impasse situations MWAs encounter in developing and executing a MOU:

- Local boards, CEOs and partners' agencies request assistance from the DLEG (serving as the Governor's representative), or other appropriate agencies.
- After exhausting all other alternatives, if necessary, the DLEG, or other appropriate agencies, will consult with the appropriate federal agency to address the impasse.
- Local boards, CEOs and partner agencies are required to document all negotiations that have taken place related to the situation in question.
- Local boards and required partners must report to the DLEG, and other appropriate agencies, situations where a failure to execute a MOU exist.
- If an impasse still exists, the DLEG, and other appropriate agencies, will formally notify USDOL.

VIII.K.3. **Criteria by which the State will determine if local Boards can run programs in-house.**

Unless a waiver is granted, WDB staff may not deliver client services for programs funded by the DLEG. Client services are those participant activities authorized by the funding source and include intake, counseling, eligibility determination, and case management.

If a WDB wishes to seek a waiver to deliver client services, the waiver request must include:

- A letter to the BWP director requesting the waiver,
- A copy of the RFP,
- A copy of the RFP publication notice,
- A copy of the bidders list to which the RFP was mailed,
- The rating criteria (if not included in RFP),
- Actual ratings of proposals and rationale for non-selection,
- A copy of all proposals received,
- Approval of the request by the CEO in the WDB area, and
- Waiver justification.

Justification to provide client services must:

1. Establish that there were no responses to the RFP, or evidence that agencies responding to the RFP are not capable of providing the services required.

2. Provide a minimum of two years' historical data, which demonstrates that WDB staff has provided client services much more cost effectively than the responding agencies.

The DLEG may approve or deny a request based upon the criteria set forth above. However, DLEG may require additional information prior to making a decision. In such instances, the DLEG will contact the MWA director to schedule a fact-finding meeting. In addition:

- Prior to the meeting, the director will be requested to place a meeting notice in the local newspaper(s) and invite agencies that submitted proposals, WDB members, and local elected officials to attend.

- A member of the CLEG will chair the meeting to solicit further input on the waiver request.

- The CLEG representative will report findings to the complete CLEG and the Governor.

- The local WDB chair will be notified of the Governor's decision.

A waiver shall not apply for more than one year. A waiver may be renewed for additional periods, but not for more than one additional year at a time. Until a waiver request is approved, WDB staff cannot deliver client services.

Furthermore, the State of Michigan's Public Act No. 491 of 2006 (Attachment B) outlines activities that local areas may engage in, with the approval of the state, to fulfill the intent of the act, including conducting pilot and demonstration projects. A local area may propose the establishment of innovative pilot or demonstration projects for approval in order to:

- Achieve more efficient and effective use of funds for public assistance;
- Reduce public assistance dependency;
- Reduce unemployment; and/or
- Improve assessment, training, or other service delivery.

Subsequently, with the enactment of Public Act 491, the City of Detroit Employment & Training Department requested a demonstration project allowing the Detroit Workforce Development Board to serve as the One-Stop operator and to deliver core and intensive services. The Board indicated that the demonstration project would:

1. Develop a completely new service delivery model that would meet the workforce needs of businesses and jobseekers in the city of Detroit for the first time in recent years; and

2. Design and test replicable service delivery strategies that may help MWAs throughout the state innovate the way they serve the public.

Following a comprehensive review of the proposal, and input from the state board, the demonstration project was approved for the time period of May 1, 2007, through April 30, 2009. The Detroit Workforce Development Board will provided quarterly reports and a final report detailing progress and outcomes throughout the demonstration project.

VIII.K.4. **Performance information that on-the-job training and customized training providers must provide.**

In accordance with the WIA, One-Stop operators will collect and disseminate performance information for on-the-job training and customized training providers. The local WDB has a responsibility for ensuring performance information is accurate through means such as audits and monitoring.

Local One-Stop operators collect the following performance information for individuals that participate in on-the-job or customized training funded by the WIA formula funds, and report the information in the state's OSMIS:

- Entered Employment;
- Employment Retention;
- Average Earning; and
- Employment and Credential Rates.

Additionally, One-Stop operators may collect the following information:

- Cost analysis;
- Completion Rates; and
- Duration of Training.

VIII.K.5. **Reallocation policies.**

The state is seeking a waiver extension regarding WIA reallocation policies. Please see section X.C.

VIII.K.6. **State policies for approving local requests for authority to transfer funds (not to exceed 20%) between the Adult and Dislocated Worker funding streams at the local level.**

Currently, per TEGL 22-06, MWAs may transfer up to 30 percent of their Title I Adult allocation to Title I Dislocated Worker Program. Similarly, up to 30 percent of Title I Dislocated Worker funding may be transferred to Title I Adult Program.

Transfers may be made on a Budget Information Summary, as instructed. Approval of the plan will constitute approval of the transfer of funds. Appropriate

revisions to all affected plans shall be submitted accordingly. Plan revisions, for the purpose of transferring funds, may be made through the end of the program year, subject to approval of the DLEG.

The state is seeking a waiver extension of its Work-flex authority, which would allow local WDBs the ability to request and subsequently the State to approve variations on the transfer authority. Please see section X.C.

VIII.K.7. **Policies related to displaced homemakers, nontraditional training for low-income individuals, older workers, low-income individuals, disabled individuals and others with multiple barriers to employment and training.**

Local WDBs have authority to determine priority of services within the guidelines of state policy and state and federal law, taking into consideration the amount of funding available in the local area. Local plans are required to designate the manner in which designated populations are served.

The state operates a Displaced Homemaker Program that assesses employment and training needs of displaced homemakers and provides services to meet those needs. Local areas design plans that connect eligible participants with the full range of available services and community resources that lead to employment success, while ensuring the plan relates to, and supports, the local area's strategic plan.

Furthermore, the DLEG is currently utilizing funding from a federal Work Incentive Grant (WIG), from the Employment and Training Administration, to employ disability resource specialists or "Navigators" in nine of the twenty-five MWAs. Navigators will be positioned within One-Stop Centers that have a high concentration of job seekers who have disabilities, to assist them in navigating the employment services system, and related services within the local service area(s).

The DLEG will also utilize WIG funds to provide capacity building training for the other sixteen MWAs' One Stop Center and Workforce Development Board staffs in the following areas: reasonable accommodation resources and strategies; disability etiquette; accessibility and inclusion strategies; regulations addressing individuals with disabilities: WIA Section 188 non-discrimination regulations, Section 504 of the Vocational Rehabilitation Act, and the Americans with Disability Act provisions.

VIII.K.8. **If you did not delegate this responsibility to local boards, provide your State's definition regarding the sixth youth eligibility criterion at section 101(13)(C)(iv) ("an individual who requires additional assistance to complete an educational program, or to secure and hold employment").**

The state delegates this responsibility to local boards.

IX. **Service Delivery**

Describe the approaches the State will use to provide direction and support to local Boards and the One-Stop Career Center delivery system on the strategic priorities to guide investments, structure business engagement, and inform service delivery approaches for all customers. Activities could include:

IX.A. ***One-Stop Service Delivery Strategies***

IX.A.1. **How will the services provided by each of the required and optional One-Stop partners be coordinated and made available through the One-Stop system?**

Please reference VIII.H.1.

IX.A.2. **How are youth formula programs funded under 128(b)(2)(A) integrated in the One-Stop system?**

Michigan's service centers provide comprehensive services that are available to all eligible youth. Service center agencies that directly benefit eligible youth include Workforce Investment Act (WIA) Title I Youth, Vocational Rehabilitation, Vocational Education, Adult Education, Wagner-Peyser, WIA Title I Youth Opportunity (YO) Grants, and Job Corps. Pregnant or parenting youth requiring additional supportive services will be assisted with referrals to appropriate agencies as necessary. Currently Job Corps is located within three Michigan Works! Agencies (MWAs) and has staff at each of the Michigan Works! Service Centers (MWSCs). MWAs that do not currently have Job Corps in their area have information readily available in the resource room located within each service center and case managers will refer eligible youth as appropriate.

One Michigan agency was previously awarded a YO grant by the U.S. Department of Labor (USDOL). Program partners for this grant brought additional resources and services to youth customers; including additional training programs, charter schools, gang prevention, substance abuse prevention, recreation, intensive counseling, and academic and career guidance. These partnerships will continue to benefit eligible youth far beyond the original length of the grant.

As required by federal guidelines, Michigan will continue to utilize statewide activity funds to operate innovative youth programs. These funds, in addition to youth formula funds, will be available to areas with high concentrations of eligible youth.

In addition to the service center partners listed above, Michigan Rehabilitation Services (MRS) will assist any youth with disabilities. However, the state will not routinely refer all youth with disabilities to MRS. All youth participants with

similar goals are given similar service to accomplish those goals. If certain youth encounter more difficulties than others in attaining their goals, then additional services are offered and provided, one of which may be rehabilitation services. Should the youth decide to pursue this avenue, an individual assessment will be conducted and a referral made, if warranted.

Furthermore, the Governor has convened commissions, committees, and workgroups to address the state's vision regarding youth goals and initiatives. While the majority of these initiatives are in the initial stages of implementation, it is anticipated that recommendations of these groups will improve integration at the service delivery area, while meeting stated goals and objectives. The outcomes of these entities will further enhance the state's integration of youth services.

Youth entering local One-Stop service centers are seeking an array of services. An eligibility determination is made and an Individual Service Strategies (ISS) is completed. Referrals for necessary services are made, as appropriate, to system program partners. In collaboration with private sector employers, educational institutions, chambers of commerce, and other community-based organizations serving youth in local communities, participants receive the full array of activities provided under the WIA. These activities include, but are not limited to: tutoring, alternative secondary school offerings, summer employment opportunities, adult mentoring, paid and unpaid work experience, occupational skill training, leadership development opportunities, supportive services, and comprehensive guidance and counseling.

IX.A.3. **What minimum service delivery requirements does the State mandate in a comprehensive One-Stop Centers or an affiliate site?**

The state has developed the One-Stop Certification Criteria that must be adhered to at each MWSC. Please reference Attachment C for the complete policy.

IX.A.4. **What tools and products has the State developed to support service delivery in all One-Stop Centers statewide?**

To support service delivery throughout the MWSCs, the state provides fiscal and programmatic direction through the publication of official policy issuances, statewide training on identified issues of concern, and access and technical assistance to the state's One-Stop Management Information System (OSMIS).

Furthermore, in addition to the required services and products outlined in Attachment C, the state has developed and made available at each MWSC and any computer with Internet access, the following tools for employers and job seekers:

Michigan Career Portal or MI Careers – provides state-developed content and resources, as well as links to numerous other Internet-based resources. Examples of some of the other state-developed websites that link to MI Careers include, the

Labor Market Information (LMI) website, the Veterans' Employment Service website, the Agricultural Labor website, and the MI Internship website powered by the Michigan Talent Bank (MTB) at www.michigan.gov/careers.

MI Careers - provides a wealth of information on occupations, employment opportunities, career planning, skills assessment and other related resources. In addition, it contains information about Michigan's Licensed Occupations, Starting a Small Business Guide for potential entrepreneurs, and an interactive Job/Career Fairs component that allows job fair sponsors/businesses to post their job fairs at www.michigan.gov/careers.

Michigan Talent Bank - the state's public labor exchange system. This is a self-service system that allows for job matching between jobseekers and employers without staff intervention. The MTB also links to MI Careers and all of its workforce-related resources at www.michworks.org.

Career Education and Consumer Report (CECR) - an Internet-accessible database and serves as a valuable resource of occupational training information and a supportive tool for use in developing the 21st century workforce needed to grow Michigan's economy. The CECR is a resource for the public at large that facilitates the choice of a postsecondary education or training program based on consumer-relevant items including cost, location, and duration. The CECR is an attractive, user friendly website that marries program specific information to other career relevant, Michigan focused resources including labor-market information maintained by the Department of Labor & Economic Growth/Bureau of Workforce Programs (DLEG/BWP) at www.mycareereducation.org.

IX.A.5. **What models/templates/approaches does the State recommend and/or mandate for service delivery in the One-Stop Centers? For example, do all One-Stop Centers have a uniform method of organizing their service delivery to business customers? Is there a common individual assessment process utilized in every One-Stop Center? Are all One-Stop Centers required to have a resource center that is open to anyone?**

Each MWSC is required to meet the state developed One-Stop Certification Criteria (Attachment C) previously discussed. Outside of the required standards, local service delivery areas are given the flexibility to design additional tools and procedures to best meet their individual needs in servicing employers and job seekers.

IX.B. ***Workforce Information***

IX.B.1. **Describe how the State will integrate workforce information into its planning and decision-making at the State and local level, including State and local Boards, One-Stop operations, and case manager guidance.**

A fundamental component of a demand driven workforce investment system is the integration and application of the best available state and local workforce

information including, but not limited to, economic data, labor market information, census data, private sources of information, educational data, job vacancy surveys, transactional data from job boards, and information obtained directly from businesses.

The Governor created the new state workforce board, the Council for Labor & Economic Growth (CLEG), in December 2004. The CLEG is business-led and contains key leaders from business, labor, community colleges, universities, community-based organizations, local workforce boards, the K-12 educational community, and government. Among other strategic goals, the CLEG will be seeking to facilitate the transition of Michigan workers to 21st century jobs and careers.

Workforce information will be fully utilized by the council to fulfill this goal. It will also serve as the "workforce intelligence" needed for researching the health of key core state industries, emerging industries, the match between the skills of the available workforce and expected growth occupations, and critical high growth, high wage, high skill occupations.

The 25 MWA local workforce boards and their One-Stop service centers are the primary customers of LMI services. Many of the information products and services outlined in the Workforce Information Core Products and Services Plan are specifically targeted at local boards. The state produces 25 customized Annual Planning Information reports designed to provide MWAs with regional workforce and economic data needed for local planning.

The customized Annual Planning Information reports are developed and designed to fulfill data needs by local case managers and planners. The information is developed annually to meet current local planning guidance and represents the most comprehensive program year data available. Providing local data and information is one of the key building blocks in promoting local job development and business growth.

Michigan also recognizes the importance of maintaining a regional presence throughout the state. As a result, the state maintains regional economic analysts whose role is to specifically serve local boards with consulting services and training on information topics.

IX.B.2. **Describe the approach the State will use to disseminate accurate and timely workforce information to businesses, job seekers, and employment counselors, in easy to use formats that are readily accessible within One-Stop Career Centers and at remote locations such as libraries, schools, worksites, and at home.**

The dissemination of workforce information has increasingly been accomplished through the LMI website, which allows universal access to the vast majority of information products. Print publications are still produced and disseminated to libraries and One-Stop centers, but are generally also available electronically.

MWSCs are a central delivery point for workforce information services. Employers and jobseekers will benefit from the 2006 launch of the redesigned Michigan workforce information website. "Take-home" brochures on high demand occupations with wage data and educational/training requirements are distributed at the MWSCs to jobseekers. Michigan's Hot 50 Jobs brochures and posters were distributed to all MWSCs. Michigan Career Automated Researcher and Career Profile interactive modules are available in all MWSCs in the state. Training in job market trends, career outlook, and job search resources are provided on-site at MWSCs. America's LMI system employer database products distributed to the One-Stop centers will provide employers and other clients with access to business information.

The Michigan Career Portal or MI Careers website, which is linked to the LMI website, provides state-developed content and resources, as well as links to numerous other previously described Internet-based resources. Examples include: the Veterans' Employment Service website, the Agricultural Labor website, and the MI Internship website powered by the MTB.

MI Careers also provides a wealth of information on occupations, employment opportunities, career planning, skills assessment and other related resources. In addition, it contains information about all of Michigan's Licensed Occupations, a "Starting a Small Business Guide" for potential entrepreneurs, and an interactive Job/Career Fairs component that allows job fair sponsors/businesses to post their events.

IX.B.3. **Describe how the State's Workforce Information Core Products and Services Plan is aligned with the WIA State Plan to ensure that the investments in core products and services support the State's overall strategic direction for workforce investment.**

The Governor has outlined seven roadways to Grow Michigan's Economy. Four of these areas will be directly impacted by the state's workforce information system. These goals include:

1. Grow Businesses,
2. Grow Entrepreneurship,
3. Develop a 21st Century Workforce, and
4. Spur Investment in Communities.

Specific DLEG strategies to address these goals include:

- Align and integrate strategic DLEG functions;
- Create coordinated workforce development strategies for key industry sectors and clusters;
- Foster the development of Michigan Regional Skills Alliances (MiRSAs);

- Increase the ability of Michigan citizens to remain employed, advance their skills, and find new jobs; and

- Address Michigan's nursing shortage through the creation of the Michigan Nursing Corps.

Workforce information products will be key to each of these strategies. This will include identifying state and regional industry clusters; providing technical assistance in the establishment and continuity of MiRSAs; tracking progress over time in the MiRSA targeted industries; increasing technical assistance to employers, local workforce boards, and One-Stop clients; and improving accessibility and customization of workforce information through continued investment in website technology.

Michigan's "Workforce Information System" (WIS) is an integrated network of operational components involving data production, analysis, development, collaboration, dissemination, and training. It is designed to provide comprehensive LMI that supports informed decisions for workforce and economic development. The statewide WIS directly serves economic development, local Workforce Development Boards (WDBs), and service providers by supplying:

- Demographic information on special populations served by the workforce system;
- Income and industry information used by economic development;
- Special labor market articles, reports, and newsletters;
- Continuous improvement of the employment statistics system;
- LMI needs assessment of MWAs to identify critical local data needs;
- Improved current website delivery system and improved information packaging;
- Technical assistance for data users;
- Training and special LMI presentations; and
- Formal customer feedback system that measures customer satisfaction and outcomes of both job seekers and employers.

The CLEG will set the policy and strategic direction of the workforce system in Michigan, and the Michigan Workforce Information Core Products and Services Plan will directly impact that effort through components such as:

- More flexible information delivery through the Workforce Informer website and the America's Labor Market Information System database;

- Short and long-term forecasts of industry and occupational job growth;

- Identification of high growth, high wage, key demand occupations;
- Michigan Job Vacancy Survey;
- New measures of labor supply, labor sheds, job creation, and workforce demographics through the Local Employment Dynamics program;
- Information on core and competitive advantage industries and industry clusters; and
- Technical support, data customization, and staff training for local workforce boards.

IX.B.4. **Describe how State workforce information products and tools are coordinated with the national electronic workforce information tools including America's Career Information Network and Career Voyages.**

America's Career Information Network (ACInet) functions as a portal to a variety of workforce and career information tools. It provides occupational and industry information, career tools, and regional and state information. It also contains a variety of links to pages customized for specific topics, such as: skills, training, assessment, and financial aid, or customer groups, such as: business and job seekers.

Michigan's WIS supplies many of the same types of products, and delivers them electronically through the current LMI website and soon through the redesigned Workforce Informer site. The Michigan site home page contains direct links to ACInet products such as the Skills Profiler and Employer Locator. The site also has links to ACI.net, America's Learning Exchange, FedStats, www.doleta.gov, and many other federal resources.

ACI.net is also highlighted in presentations and training sessions conducted by the DLEG for workforce information users throughout the state to promote knowledge of, and encourage the use of, these national systems.

Additionally, the state links to Career Voyages from the Michigan Career Portal, as well as from other specialized Michigan websites, including the Manufacturing Careers website at www.michigan.gov/manufacturingcareers and the Health Careers website at www.michigan.gov/healthcareers.

IX.C. ***Adults And Dislocated Workers***

IX.C.1. ***Core Services***

IX.C.1.a. **Describe State strategies and policies to ensure adults and dislocated workers have universal access to the minimum required core services as described in 134(d)(2).**

The state ensures that all adults and dislocated workers have universal access to the minimum required core services through the state's One-Stop Certification Criteria policy (Attachment C). Each MWSC adheres to the policy and subsequently provides the required core services described in the WIA.

IX.C.1.b. **Describe how the State will ensure the three-tiered service delivery strategy for labor exchange services for job seekers and employers authorized by the Wagner-Peyser Act including: (1) self-service, (2) facilitated self-help service, and (3) staff-assisted service, and is accessible and available to all customers at the local level.**

Michigan delivers labor exchange services through MWSCs. Each service center provides a wide range of employment, training, and career education services available to Michigan's employers and job seekers.

Internet use plays a critical role in the self-service aspect of this system. The use of the MTB and the self-service registration feature reduces employment service costs and thereby allows Michigan to direct a greater portion of program resources to expanding labor exchange access for employers and job seekers statewide. The use of various Internet services has led to verifiable increases in the number of job seekers who obtain employment. By creating an open, Internet-based labor exchange system, the DLEG has given its partner agencies full, open access to employer job orders and job seeker resumes.

Increases in participants' entered employment rates and decreases in costs per participant have been achieved as a result of Michigan's Internet-based employment service and the collocation of multiple workforce development services at MWSCs.

Michigan differentiates staff assisted services into *facilitated services* and *mediated services*. Facilitated services are those in which trained staff assists employers and job seekers, on an as-needed basis, in using self-help labor exchange features, such as the MTB, LMI, and other information and tools available in MWSC Resource Rooms. Mediated services provided to job seekers include: job development, job search planning, job search workshops, assessment and testing services, career guidance, specific LMI, and resume writing assistance. These services are provided through teams of contracted public merit-staffed employees. Mediated services are targeted to those that need them most, including veterans, Migrant and Seasonal Farm Workers (MSFWs), and persons with disabilities. However, Michigan also requires that WDBs provide staff-

assisted mediated services to job seekers and employers who need extra help beyond self-service and facilitated self-help services.

Consistent with Michigan's commitment to universal access to automated labor exchange services, WDBs are required to ensure that any job seeker with disabilities who has difficulty in using computer-based labor exchange services will be provided assistance. To this end, in 2006 Michigan was awarded Disability Program Navigator funding from USDOL-Employment and Training Administration (ETA) for two years to improve workforce services for individuals with disabilities, including those with psychiatric and other non-visible disabilities. This funding has allowed Michigan to establish new staff positions called Disability Program Navigators (Navigators) in nine local One-Stop Career Centers. The program's primary objective is to increase employment and self-sufficiency for individuals with disabilities by enhancing the linkage between employers and state Workforce Investment Boards through the One-Stop Career Centers where the Navigators are placed.

At a minimum, job search assistance is available in at least one location within the jurisdiction of each WDB and is offered according to a reasonable schedule. Center locations are determined based on ease of customer access, population density and other factors that make locations convenient for customer use, with a minimum of one physical center per Michigan Works! region, with programs collocated that offer all of the core services.

Wagner-Peyser services are available to all eligible Unemployment Insurance (UI) claimants. The MWAs have the discretion to determine the appropriate mix of self-accessed, facilitated, and staff-assisted Wagner-Peyser services for UI claimants and other job seekers based on their job finding needs. Accordingly, the DLEG will work with local WDBs to help them determine the best use of their Wagner-Peyser allocations, based on Employment Service (ES) program features and local labor market needs.

An array of mediated services is also available to employers free of charge at each service center. Employers have access to a pool of qualified workers and related services to support their economic and workforce development activities. Services available to employers include: assistance in finding qualified workers; interview facilities at the service centers; information on, and referral to, business start-up, retention, and expansion services; information on, and referral to, customized training programs; and information on labor markets, workplace accommodations, and tax credits for new hires.

All Wagner-Peyser funded programs in the MWSCs are administered by merit staffed personnel. With respect to assigned state employees, the DLEG requires that a chief executive of the local jurisdiction certify agreement to maintain a system of personnel administration in conformance with required standards and satisfy the merit staffing requirements, in accordance with Federal Regulation 5 CFR 900.604 and as required in the following:

- DLEG will utilize as service providers for Wagner-Peyser ES and Trade Adjustment Assistance (TAA) services only merit-staffed state employees or merit-staffed local government employees. Merit-staffed local government employees shall be limited to employees of local units of government, special purpose units of government, school districts, intermediate school districts, public community colleges, and public colleges and universities.

- DLEG will continue to use state employees to provide targeted Wagner-Peyser ES to veterans, MSFWs, and individuals with disabilities through the Joint Workforce Initiative (JWI).

- DLEG requires all local WDBs to obtain competitive bids and procure the services of public merit-based employees of local units of government, special purpose units of government, school districts, intermediate school districts, public community colleges, and public colleges and universities, to provide Wagner-Peyser ES on a two-year contract basis, with the option of a discretionary third year.

IX.C.1.c. **Describe how the State will integrate resources provided under the Wagner-Peyser Act and WIA Title I for adults and dislocated workers as well as resources provided by required One-Stop partner programs, to deliver core services.**

A visionary process that spanned several decades, culminated in 1996 with the creation of the Michigan Works! System. Wagner-Peyser funded services officially became a full partner in this system on February 1, 1998. Michigan Works! partners are required to participate in a collaborative effort to deliver services.

The focus in the Michigan Works! System is on providing services to meet customers' needs. This is a reversal of the philosophy that tried to fit the customer into a program. There is just one name and one number to call to access the entire workforce development system in Michigan. Michigan Works! customers can call the statewide toll-free number, 1-800-285-WORKS, that automatically routes callers to their closest MWSC.

Services from the state's major workforce development programs comprise the Michigan Works! System. These programs are outlined in the state's Certification Criteria for MWSCs (Attachment C).

Currently there is full collaboration and collocation among all required and optional partners within the MWSCs. Local WDBs will continue this collaboration among partners to ensure that system resources are expended to maximize the number of individuals served and the services provided.

All programs and funding streams in the MWSCs support service delivery through the One-Stop system. Currently, WIA, Wagner-Peyser, Temporary Assistance for Needy Families, Food Assistance Employment & Training, and

state general purpose funding is used for the development, maintenance, and upgrading of the One-Stop Service Centers.

Wagner-Peyser funding is used to assist the MWAs in continuously upgrading service centers, collocate partners, and to finance improvements to the OSMIS database in which services provided under WIA, Wagner-Peyser, Work First, and the Veterans' Employment and Training Service (VETS) program are reported. Wagner-Peyser funding is also provided to MWAs to examine and update the current status of self-serve material and resource rooms. Funding is also provided for the updating and maintenance of Internet sites used for disseminating information on available services.

The CLEG contributes to the integration of services in the One-Stop system by assisting the Governor with the formation of linkages between the various One-Stop programs. These linkages are designed to assure coordination of effort and prevent duplicative activity among the available programs and services.

Michigan uses a tiered system for delivering Wagner-Peyser funded labor exchange services. There are three types of services provided to job seekers and employers. These services are referred to as:

1. *Self-services,* which include the MTB and the resource rooms at the MWSCs;

2. *Facilitated services*, which are provided when an employer or job seeker needs assistance using the self-service tools; and

3. *Mediated services*, which are intensive services usually administered on a one-to-one basis.

The three tiers of Wagner-Peyser funded services are fully integrated into the system through a variety of means.

- MWAs provide local operation and over-site of the MTB.

- MWAs deliver to the public all three levels of labor exchange services.

- MWAs provide special reemployment services to UI claimants.

- MWAs provide claimants with information regarding the filing of UI claims. They further allow claimants access to office equipment to reach the Unemployment Insurance Agency (UIA).

- MWAs fully participate in the UI work test by assuring that unemployment claimants register for work by entering their resumes on the MTB. MWAs also immediately report all incidents of claimant non-compliance to the UIA. Claimant non-compliance includes being unable, unavailable, failing to seek full-time work, and refusing offers of suitable work.

- MWAs assure that veteran's preference and priority are strictly observed by giving eligible veterans and eligible persons the maximum employment and training opportunities, with priority given to the needs of disabled veterans. Disabled Veterans Outreach Workers (DVOWs) and Local Veterans Employment Representatives (LVERs) are integral, collocated partners in the MWSCs.

- MWAs assure that services to Migrant Seasonal Farm Workers (MSFWs) are equal to those provided to non-MSFWs. The Agricultural Employment Specialists (AESs) are integral and collocated partners in the MWSCs.

- In accordance with Section 8(b) of the Wagner-Peyser Act, as amended, MWAs promote employment opportunities for persons with disabilities and provide job counseling and placement of persons with disabilities. MWAs designate at least one person in each MWSC whose duties include providing services for persons with disabilities. The DLEG-BWP will cooperate and maintain a written agreement with DLEG-MRS to provide services to persons with disabilities.

- MWAs participate in designated interstate and intrastate job order clearance activities.

- MWAs administer the local component of the Employment Service Complaint System.

- MWAs provide local administration of the Fidelity Bonding Program.

- Wagner-Peyser funded services are fully integrated and collocated within all MWSCs.

Each WDB has the discretion, within the parameters established, to determine their local service delivery structure, provided that, within that structure, the state's major workforce development programs are accessible in an integrated manner that is seamless to the customer. The state provides policies and procedures designed to help WDBs ensure the coordination of services for each of the required and optional One-Stop partners when they prepare their local plans. WDBs submit their plans to DLEG-BWP for approval, and the plans are either approved by DLEG-BWP or returned for revisions.

Local plans are based on system designs that support coordination between service providers and must include the following components:

- Universality of access by employers and job seekers with multiple access points,
- Integration of services across agencies and programs, and
- Maximum use of resources through collocation and shared operating costs.

Materials are also distributed by DLEG/BWP to WDBs and MWA directors to assist them in developing the local Memorandums Of Understanding (MOUs). MOUs offer the opportunity to further develop existing collaborations among One-Stop partners and to establish new ones. MOUs set forth provisions describing the services to be made available by the One-Stop provider, how the services and operating costs will be funded, and the methods of referral of individuals between the One-Stop operators and the One-Stop partners. MOUs also contribute to defining how the coordination of services between the partners will be attained.

The types of employment and training activities that will be carried out with adult and dislocated worker funds will include core, intensive, and training activities. All three tiers of the Wagner-Peyser funded labor exchange services contracted to the MWAs fall within the category of core services. Some of the services retained and delivered by DLEG-BWP through the AES, JWI, DVOW and LVER staff are considered intensive services.

Wagner-Peyser funds are distributed to the 25 local WDB areas according to a formula, 50 percent by the previous year's respective share of the state's civilian labor force, and 50 percent by the previous year's respective share of the number of unemployed. As a condition of the grant to the local WDB for Wagner-Peyser ES, WDBs are required to execute a grant document; comply with all applicable state and federal laws, regulations, and policies; and take direction from DLEG/BWP in conducting local operations. Further, DLEG/BWP retains operational responsibility for the statewide electronic labor exchange, MTB, and a number of other Wagner-Peyser funded activities such as, MSFW outreach, the DVOP and LVER programs, and the JWI. The JWI places DLEG-BWP, ES interviewers with MRS to assist in the placement of persons with disabilities.

Furthermore, all required One-Stop partners must use a portion of their funding to provide core services to customers through the One-Stop delivery system, unless inconsistent with federal law.

The state ensures that such resource sharing and an appropriate referral method exists at the local level through the requirement of the aforementioned local MOUs amongst required One-Stop partners. The state monitors the content and existence of these MOUs on a regular basis to ensure compliance.

Additionally, state level intra-agency workgroups, for example, the Workforce Action Network, address issues of integration such as:

- Better targeting of resources,
- Creation of administrative efficiencies through co-location, and
- Strengthening of collaboration and coordination with other agencies and community resources.

IX.C.2. **Intensive Services. Describe State strategies and policies to ensure adults and dislocated workers who meet the criteria in 134(d)(3)(A) receive intensive services as defined.**

The state ensures that all adults and dislocated workers who meet WIA criteria receive intensive services through its One-Stop Certification Criteria policy (Attachment C). Each MWSC adheres to the minimum standards and subsequently provides the required intensive services described in the WIA, as appropriate. In providing intensive services, local areas will define self-sufficiency. However, the state will define the minimum level for self-sufficiency as *employment that pays at least the lower living standard income level for the most recent year*. Local areas are permitted to define self-sufficiency at a higher income level than the state minimum, as long as supporting documentation is provided.

IX.C.3. ***Training Services***

IX.C.3.a. **Describe the Governor's vision for increasing training access and opportunities for individuals including the investment of WIA Title I funds and the leveraging of other funds and resources.**

The Governor has focused on the need for citizens with the skills for the jobs of today and tomorrow. Specifically, "Michigan must revolutionize job training by raising expectations for all to attain college degrees and by equipping workers with the skills needed in this new economy." It takes partnerships and shared resources to ensure a continuum of education and training opportunities that support a skilled workforce. Examples to achieve the Governor's vision:

- Incumbent Worker Training – WIA Rapid Response Reserve Funds are provided for incumbent worker training to assist workers to acquire needed skills and help employers retain and expand jobs. If customized training is provided, the employer is required to provide a match. In addition, employers are encouraged to use the One-Stop system to backfill vacancies created through upgrading current employees. This allows opportunities for those seeking entry-level positions, such as the disabled, public assistance recipients, youth, and others.

- Assistance is provided to "challenged cities" such as Benton Harbor. Training for skilled trades jobs is being funded by WIA statewide activity funds, local WIA funds, and matching funds from other local partners to assist Benton Harbor residents obtain jobs.

- MiRSAs focus on an industry sector and consist of partnerships of employers, educational institutions, workforce development systems, and economic development entities. The WIA statewide activity funds have been provided to support 31 MiRSAs and to facilitate training for the skills needed in the industry sector. Local MWAs, employers, and other partners contribute

funding, and it is anticipated that over a three-year period, local contributions for the MiRSAs will equal $9 million.

- The Governor's No Worker Left Behind (NWLB) plan will help more than 100,000 displaced workers by:

  a. Providing up to two years free tuition at any Michigan community college or other approved training program; and

  b. Allowing displaced workers to receive needed training in high skills while receiving unemployment benefits.

  To qualify for the NWLB program, displaced workers will need to take a skills assessment test administered by MWAs. Qualifying workers must pursue an associate degree or attend a technical training program in a high-demand occupation, emerging industry, or entrepreneurship program. High-demand occupations vary from region to region, however, some common examples include healthcare, accounting, and bookkeeping services; information technology; and auto service technicians and mechanics.

- To ensure that Michigan adequately addresses both the current nursing need and the growing future need, the state must do more to expand the number of faculty in the state's nursing programs, increase clinical placement opportunities, and provide accelerated degree programs for workers choosing nursing as a second career.

  In her 2007 State of the State address, the Governor unveiled the Michigan Nursing Corps to address these needs. In the next three years, Michigan will train over 500 additional nursing faculty and graduate more than 3,000 additional nurses.

- The Road Construction Workforce Development Program Statewide Partnership Committee's vision is to provide a sustained road construction workforce of diverse, trained, and certified individuals. The Statewide Partnership Committee includes representatives from the DLEG, Michigan Department of Transportation, Office of Community and Faith-Based Initiatives, federal and state Apprenticeship programs, Education, Unions, Michigan Works! Assocation, and other community-based organizations.

  The program will work to equip a diverse pool of Michigan residents with the skills for sustainable employment in the road construction industry and identify, leverage, and maximize state, federal, and local resources to create a sustainable process for supplying a qualified, diverse pool of highway construction workers

  The goals of the program are:

  i. Identify key issues impacting the development and growth of Michigan's road construction industry workforce.

ii. Develop policies and strategies to address local participation in job training and employment opportunities for minority, female, and economically disadvantaged individuals in the building of federally funded transportation projects in low-income communities with high unemployment.

iii. Develop a statewide program for pre-apprenticeship and apprenticeship training for women, minorities, and economically disadvantaged persons in road construction trades.

iv. Develop a regional blueprint for collaboration and cooperation by local workforce development agencies, community-based organizations, contractors, unions, high schools, community colleges, and other stakeholders.

- Base Realignment and Closing (BRAC) funding was awarded to the state in Program Year 2005. The BRAC funding was awarded to two local MWAs. The state continues to work with the local agencies to pursue a course of action to utilize BRAC funding within the context of the state's "Creating a 21st Century Workforce" initiative. Subsequently, a regional Rapid Response planning model has been developed. The local areas are utilizing the model to develop strategies that include a well-defined rapid response process and a layoff aversion component. Additionally, regional environmental scans will be conducted to determine the impact to local economies as a result of BRAC actions.

IX.C.3.b. ***Individual Training Accounts (ITAs)*:**

IX.C.3.b.i. **What policy direction has the State provided for ITAs?**

The state has provided the following information to local areas regarding ITAs:

- The training provided must lead to an occupation in demand, as defined by the local WDB, and be completed within the time limits established by the local WDB.
- After receiving core and intensive services, in consultation with a case manager, eligible participants in need of occupational training may be issued an ITA.
- An individual who receives an ITA may use it to access any training program that is provided by an eligible training provider.
- Each local WDB shall establish an approval process for ITAs that reflects what is determined locally to provide the appropriate balance between accountability for training funds and effective customer service.
- MWSC staff may inform and facilitate career decisions, however, the ultimate decision shall rest with the individual.

- Each local WDB shall establish a range of amounts and/or a maximum dollar amount available for an ITA.

- Each local WDB shall establish a mechanism (e.g., paper voucher, credit card, individual checking account, electronic transfer of funds through financial institutions, etc.) to allow for payment of training dollars to the approved training provider. The mechanism shall allow for the purchase of training in an amount not to exceed locally set limits. Individuals shall also be permitted to supplement ITA funds with personal savings to purchase training that exceeds the dollar amount of the ITA.

- To ensure that ITA customers have continued access to a wide range of training providers, payments shall be made to the training providers in a timely manner.

IX.C.3.b.ii. **Describe innovative training strategies used by the State to fill skills gaps. Include in the discussion the State's effort to leverage additional resources to maximize the use of ITAs through partnerships with business, education (in particular, community and technical colleges), economic development, and industry associations and how business and industry involvement is used to drive this strategy.**

To ensure that Michigan adequately addresses both the current nursing need and the growing future need, the state must do more to expand the number of faculty in the state's nursing programs, increase clinical placement opportunities, and provide accelerated degree programs for workers choosing nursing as a second career.

In her 2007 State of the State address, the Governor unveiled the Michigan Nursing Corps to address these needs. In the next three years, Michigan will train over 500 additional nursing faculty and graduate more than 3,000 additional nurses.

The MI Opportunity Partnership is an integral part of the Governor's strategy to strengthen Michigan's economy and put people back to work through an aggressive strategy to place unemployed individuals into jobs or training. This initiative, tied to the MiRSAs, will target those that are receiving unemployment benefits, or have recently exhausted their benefits, in order to provide them with employment assessment, customized training, job placement and assistance, and waivers necessary to allow them to engage in appropriate training for employment in high-growth, high-demand occupations. Where appropriate, the training will be provided through the use of ITAs to ensure maximum consumer choice. This initiative will also allow the expansion of the current assessment and skills identification process coordinated through the UIA and the MWAs. The goal is to place 40,000 unemployed workers into jobs, contact 35,000 employers to identify job openings, and to conduct pilot programs at four MiRSAs to provide accelerated training for jobs in healthcare and skilled trades by April 30, 2007.

MiRSAs are driven by the employers within the industry and include partners representing multiple employers, as well as others such as organized labor, economic development agencies, workforce boards, community colleges, universities, business associations, chambers of commerce, and other groups. Organized around a core goal of meeting employers' workforce skills needs, MiRSAs develop strategies to address human resource needs of the industry. MiRSAs are public/private partnerships, which support job creation, career development, education, and training in regionally important industries or sectors. It is anticipated that over a three-year period local contributions for the MiRSAs will equal $9 million. Furthermore, Medicaid Disproportionate Share Hospital Funds, in the amount of $11 million, have been earmarked to increase the number of trained and qualified healthcare workers in Michigan over the next two years. Through a local match by community colleges and universities, $22 million will become available over the two-year period. Public educational institutions such as community colleges and universities, attached to a MiRSA will partner with a hospital in their regional area in order to access the funding. Training focus areas include accelerated nursing and accelerated allied health programs.

Additionally, Rapid Response Reserve Funding is used to support an incumbent worker training program to meet the needs of local employers (i.e. to fill skill gaps) identified as priority industry sectors in local MWAs. MWAs must demonstrate their alignment with the state's strategic goals, including the fostering and/or further development of MiRSAs in order to receive WIA incumbent worker funds. Incumbent worker funds are also used to support integrated economic and workforce development, coordinate existing training programs for incumbent workers, link workforce policies to economic development policies in priority industry sectors, and elevate the role that community colleges undertake regarding workforce and economic development. Where appropriate, the funding is to include the coordination of incumbent worker training and Economic Development Job Training (EDJT) activities.

IX.C.3.b.iii. **Discuss the State's plan for committing all or part of WIA Title I funds to training opportunities in high-growth, high-demand, and economically vital occupations.**

Each local WDB took part in a strategic planning process. This process included the following steps:

- <u>Environmental Scan</u>

  An investigation of the external environment and a determination of the factors that may affect the local workforce development system. In addition, information and data gathering, an analysis of this information, and projections of future conditions relevant to the workforce system were compiled.

- Strategic Assets and Comprehensive Plan

  An attempt to identify what is working by comparing return-on-investment, cost benefit of programs, etc., and, where necessary, refocus resources to build on what is currently working to achieve identified goals.

- Operational Plan

  A single plan that translates strategies into actions. Specifically, a plan that outlines the extent to which resources are redeployed to address system changes and support local goals.

Local WDBs ensure that WIA formula funds are utilized in a manner that supports local strategic plans. That is, for each service delivery area, funding is concentrated to those areas identified through the strategic planning process as economically vital to the workforce development system.

In addition to local formula funding, the state is also committing funding to training opportunities in high-growth, high-demand occupations through the previously identified Nursing Corps, NWLB initiative, the Creating a 21st Century Workforce Initiative including the state's three Workforce Innovations in Regional Economic Development (WIRED) areas incumbent worker training program, the MI Opportunity Partnership, and the MiRSA initiative.

IX.C.3.b.iv. **Describe the State's policy for limiting ITAs (e.g., dollar amount or duration).**

Local WDBs have discretion regarding limiting ITA funding or duration.

IX.C.3.b.v. **Describe the State's current or planned use of WIA Title I funds for the provision of training through apprenticeships.**

Staff from the DLEG, the Department of Corrections, the USDOL/ETA Michigan's Office of Bureau of Apprenticeship and Training, MWAs, and the Governor's office convened an Apprenticeship Workgroup in September 2004. The workgroup seeks to facilitate further utilization of apprenticeship training programs for workforce development customers throughout the state. This effort will help increase opportunities for Michigan's job seekers to attain higher skills and higher wage employment opportunities with better career prospects, while enhancing the workforce available to all sectors of the state's labor market.

The workgroup is developing and implementing a strategic plan to increase employer participation in apprenticeships, expand and improve the availability of information on apprenticeship openings throughout the state, and strengthen linkages between career technical education programs and community college programs related to apprenticeships.

Currently, eligible training providers offering apprenticeship programs appear on the state's eligible training provider system, the CECR. Subsequently, if a WIA participant selects an institution providing an apprenticeship training program for an in-demand occupation, local area WIA funds will be utilized to fund said training.

WIA statewide activities funding will also be utilized to fund the Benton Harbor Skilled Trades/Apprenticeship training program. The program is a collaborative effort involving the state, local employers, and the local MWA to fund training to prepare residents for jobs in building and construction.

The Road Construction Workforce Development Program Statewide Partnership Committee described in Section I.C. has identified as a goal the development of a statewide program for pre-apprenticeship and apprenticeship training for women, minorities, and economically disadvantaged persons in road construction trades.

The state is also exploring apprenticeships within the health care industry. The health care industry is one of the targeted MiRSAs industries. MiRSAs are locally managed partnerships formed to address workforce issues affecting firms operating in the same industry in a distinct geographic area. Among the challenges the MiRSAs set out to resolve are: worker shortages, skill shortages, training mismatches, employee recruitment and retention, and organizational design. The state feels that apprenticeships are one possible program that would assist in meeting the challenges currently facing the health care industry.

IX.C.3.b.vi. **Identify State policies developed in response to changes to WIA regulations that permit the use of WIA Title I financial assistance to employ or train participants in religious activities when the assistance is provided indirectly (such as through an ITA).**

State policies are not in conflict with changes to WIA regulations that permit the use of WIA Title I financial assistance to employ or train participants in religious activities when the assistance is provided indirectly. Local WDBs are required to follow the sectarian activities as described in the WIA law and regulations, including the aforementioned changes to WIA regulations. Additionally, institutions providing training in religious activities can appear on the state's eligible training provider list, so long as initial and subsequent eligibility requirements are met.

IX.C.3.c. **Eligible Training Provider List. Describe the State's process for providing broad customer access to the statewide list of eligible training providers and their performance information including at every One-Stop Career Center.**

Michigan's statewide eligible training provider system is the CECR system. While the WIA mandates a statewide system, Michigan's commitment extends far beyond compliance with the WIA.

The CECR is a consumer-oriented web site designed to provide the general public with useful and accurate information about education and training programs available throughout the state, including historical performance data. The CECR is an integrated, electronic gateway to the labor market for job seekers and employers. ITA eligible participants, employers, and other interested individuals will have access to the CECR at each MWSC. Additionally, the general public will have access to the CECR directly through any computer with Internet access. Assistance will be given to ensure persons with disabilities are provided access to the CECR or, if appropriate, assistive devices to ensure access to services. The CECR can be accessed at www.mycareereducation.org.

IX.C.3.d. **On-the-Job (OJT) and Customized Training. Based on the outline below, describe the State's major directions, policies and requirements related to OJT and customized training.**

IX.C.3.d.i. **Describe the Governor's vision for increasing training opportunities to individuals through the specific delivery vehicles of OJT and customized training.**

The Governor's "Plan for Jobs Today and Jobs Tomorrow" addresses developing the workforce of tomorrow. It is expected that the state will have a shortage of 300,000 workers with the skills needed to fill jobs in the building trades, nursing, and health care fields. To meet these needs, the state must revolutionize job training by raising the expectations where all residents obtain college degrees, and by equipping workers with the skills needed to be employed in this new economy. The Governor has introduced initiatives to address workers' skill needs, some of which will be carried out through OJT and customized training, such as the Nursing Corps, MiRSA initiative, and the incumbent worker-training program previously discussed.

Furthermore, the state will continue to fund projects utilizing OJT when it is determined the project and its proposed outcomes align with state goals and objectives. For example, the state provided a $2.7 million OJT commitment to the Global Engine Manufacturing Alliance (GEMA), a joint venture between Daimler Chrysler, Mitsubishi, and Hyundai, to staff two high-technology engine plants in southeastern Michigan. Statewide activities funding at both the state and local level, in addition to Economic Development funding, helped support the OJT initiative.

As other opportunities arise, the state will consider OJT and customized training as beneficial mechanisms to address state strategies.

IX.C.3.d.ii. **Describe how the State:**

1. *Identifies OJT and customized training opportunities*. The state identifies OJT and customized training opportunities through the analysis of labor market data and the collaboration of employers. Labor market data identifies industries where additional focus is needed to successfully grow the state's

economy. Employers representing these areas are identified through the state or local workforce boards, chambers of commerce, other state or community agencies, and through their involvement in state initiatives, such as the WIRED project, MiRSAs, and the MI Opportunity Partnership.

2. *Markets OJT and customized training as an incentive to untapped employer pools including new business to the state, employer groups.* The DLEG, the Michigan Economic Development Corporation (MEDC), and local MWAs work together to market OJT and customized training as a viable tool for businesses located within the state or contemplating locating within the state. Staff from the state agencies and business representatives from local MWAs contact employers and present overviews of incentives available for employers, of which OJT and customized training are one component. EDJT funding is marketed as an incentive to untapped employer pools, including new business to the state, employer groups, etc. State policy mandates that EDJT funding is to be used for customized training, specifically for the creation and/or retention of high-wage and high-skill level jobs. Priority is given to a strong level of collaboration, cooperation, and demonstration of new techniques, systems, and processes of value to the effective companies, particularly high-growth, high-demand and economically vital industries. For example, the GEMA discussed in section IX.C.3.d.i.

3. *Partners with high-growth, high-demand industries and economically vital industries to develop potential OJT and customized training strategies*. Through its WIRED project, MiRSA initiative, MI Opportunity Partnership, and the incumbent worker training program, the state will partner with identified high-growth, high-demand industries to develop strategies to address human resources needs of the industry; which supports job creation, career development, education, and training in regionally important industries or sectors. These training strategies may include OJT and customized training to meet employer's needs.

4. *Taps business partners to help drive the demand-driven strategy through joint planning, competency and curriculum development, and determining appropriate lengths of training*. As part of its initiatives and partnerships, Michigan is implementing a strategy to address acute shortages within the healthcare industry. Accelerated pilot programs that will provide intense short-term training leading to career employment in occupations that meet labor market demands will be implemented. Medicaid Disproportionate Share Hospital Funds, in the amount of $11 million, have been earmarked to increase the number of trained and qualified healthcare workers in Michigan over the next two years. Through a local match by community colleges and universities, $22 million will become available over the two-year period. Public educational institutions, such as community colleges and universities attached to a MiRSA, will partner with a hospital in their regional area in order to access the funding. Training focus areas include accelerated nursing and accelerated allied health programs.

5. *Leverages other resources through education, economic development and industry associations to support OJT and customized training ventures*. Additional resources will be leveraged to carryout identified OJT and customized training projects to achieve state goals and objectives. Examples of such resources are the Medicaid Disproportionate Share Hospital Funds, educational institutions local match (both previously described), and required match for customized training facilitated through the state's incumbent worker program.

IX.C.4. ***Service To Specific Populations***

IX.C.4.a. **Describe the State's strategies to ensure that the full range of employment and training programs and services delivered through the State's One-Stop delivery system are accessible to and will meet the needs of dislocated workers, displaced homemakers, low-income individuals such as migrants and seasonal farm workers, women, minorities, individuals training for non-traditional employment, veterans, public assistance recipients and individuals with multiple barriers to employment (including older individuals, people with limited English-speaking proficiency, and people with disabilities).**

The state's One-Stop delivery system ensures that employers and job seekers have access to the system's full range of employment and training program services. A core set of services is available, free of charge, to all who seek them.

Each MWSC provides core services, which are accessible by customer groups, employers, and job seekers. Funds allocated to the local area are also used to provide intensive and training services for adults and dislocated workers. Intensive and training services are available to targeted populations to support workforce development efforts based on program eligibility and other criteria determined locally. This does not constitute an entitlement. Minimally, the following customer groups are afforded access to intensive and training services within funding constraints and based on eligibility: dislocated workers, displaced homemakers, low-income individuals, public assistance recipients, women, minorities, individuals training for non-traditional employment, veterans, and individuals with multiple barriers to employment.

Following are statewide strategies to serve particular customer segments:

<u>Dislocated Workers</u>:

In addition to dislocated worker formula funds, the state funds a multi-area grant, targeting dislocated workers, including displaced homemakers. The grant provides WIA employment and training services to supplement services provided with MWA formula funds, with a focus on training, to enable workers to achieve and retain full-time unsubsidized employment and to maintain their pre lay-off standard of living. Services are coordinated with MWAs to avoid duplication of services and may include core, intensive, and training services. Rapid Response

activities are also provided to dislocated workers and are discussed in Section IX.D.

Displaced Homemakers:

Displaced homemakers are served with dislocated worker funds. Additionally, the state funds a program for displaced homemakers using WIA statewide activities funding.

Low-income Individuals and Public Assistance Recipients:

The WDBs work closely with Department of Human Services (DHS) officials to design local service strategies. A wide range of support services are provided, including pre-employment and training, medical examinations, immunizations and tests, relocation assistance, and special clothing and transportation allowances. Automotive repairs are also available to allow participants to take part in employment and training activities. Additionally, child day care is offered to all participants through the DHS.

Furthermore, the DLEG is currently utilizing funding from a federal Work Incentive Grant (WIG) from the Employment and Training Administration to employ disability resource specialists or "Navigators" in nine of the twenty-five MWAs. Navigators will be positioned within One-Stop Centers that have a high concentration of job seekers who have disabilities to assist them in navigating the employment services system and related services within the local service area(s).

The DLEG will also utilize WIG funds to provide capacity building training for the other sixteen MWA One Stop Centers and WDB staffs in the following areas: reasonable accommodation resources and strategies; disability etiquette; accessibility and inclusion strategies; and regulations addressing individuals with disabilities (WIA Section 188 non-discrimination regulations, Section 504 of the Vocational Rehabilitation Act, and the Americans with Disability Act provisions).

Veterans:

Veteran's preference and access to specialized services will continue for veterans in Michigan through the WIA and ES programs.

Each individual MWA has developed a policy and procedure for meeting the needs of women, minorities, individuals training for non-traditional employment, and individuals with multiple barriers to employment, specific to the individual employment environment in its geographic area.

Furthermore, BRAC funding was awarded to the state in Program Year 2005. The BRAC funding was awarded to two local MWAs. The state continues to work with the local agencies to pursue a course of action to utilize BRAC funding within the context of the state's "Creating a 21st Century Workforce," initiative. Subsequently, a regional Rapid Response planning model has been developed.

The local areas are utilizing the model to develop strategies that include a well-defined rapid response process and a layoff aversion component. Additionally, regional environmental scans will be conducted to determine the impact to local economies as a result of BRAC actions.

IX.C.4.b. **Describe the reemployment services you will provide to unemployment insurance claimants and the Worker Profiling services provided to claimants identified as most likely to exhaust their unemployment insurance benefits in accordance with section 3(c)(3) of the Wagner-Peyser Act.**

As a condition of receiving Wagner-Peyser funding, states are required by federal law to implement a system of profiling for all new regular UI claimants. Michigan's profiling plan provides for the early identification of those UI claimants considered most likely to exhaust their benefits before finding a job. Early intervention can help claimants find suitable employment before UI benefits are exhausted. Profiling will focus on a claimant who will receive within five weeks of filing a UI check.

In November 1994, the Michigan Employment Security Commission (MESC) began profiling new UI claimants to identify those at risk of long-term unemployment. To do this, MESC developed a statistical methodology with technical assistance from the W.E. Upjohn Institute for Employment Research that ranks dislocated workers according to their likelihood of exhausting UI benefits. In 2003, after eight years of using the same profiling model to refer UI claimants to reemployment services, the DLEG-UIA once again contracted with the W.E. Upjohn Institute for Employment Research to update the Profiling Model.

Michigan has adopted a statistical methodology that assigns a probability of exhaustion to each UI recipient who is eligible for profiling. The probability is derived from a statistical model, which is based on recent administrative records of UI recipients statewide.

The model includes UI claimants' personal characteristics such as:

- Education
- Tenure
- Occupation
- Industry

The model also contains variables that reflect local labor market conditions that would affect the likelihood of reemployment. Workforce development areas are used to identify local labor markets in the statistical model. In essence, the probability assigned to each eligible UI recipient is a weighted average of the effects of each of these characteristics on the likelihood that he or she will exhaust UI benefits. All individuals who receive first payments within the same week are considered as one group. UI recipients within this group are ranked according to

their predicted probability of exhausting benefits. Those estimated to be most likely to exhaust are placed at the head of the queue for reemployment services.

MWAs receive the weekly profiling list each Monday. Claimants marked with an asterisk on the profiling list must be scheduled to receive reemployment services within a week to ten days, if resources are available. Including these claimants in the profiling information session is mandatory, if a meeting is scheduled. The DLEG-UIA will designate between three and ten claimants from each list in this manner. Providing reemployment services to additional individuals on the profiling list may be necessary in order for MWAs to meet their goals, but it is not required.

Notification letters with the claimants' appointment dates, times, and locations are mailed to asterisked (mandatory) claimants. Claimants are given seven to ten days notice for the information sessions. MWAs compose a separate notification letter for non-asterisked (voluntary) claimants.

MWAs must initiate reporting. This reporting consists of updating the Mediated Services Registration in the OSMIS and entering the correct profiling membership code. The Profiled-Mandatory membership code is used to enter data about claimants whose names are marked with an asterisk on the DLEG-UIA profiling list. When entering data about profiled claimants other than those designated as mandatory by the DLEG-UIA, the Profiled-Voluntary membership code is used.

After the Mediated Services registration and profiling information have been updated, the UIA profiling coordinators send letters to the selected claimants, informing them of their responsibility to participate. Claimants with schedule conflicts at their assigned times cannot be rescheduled. This should be reported in OSMIS as soon as possible. Claimants with schedule conflicts at their assigned times may request that their profiling services be rescheduled, if possible. In the case of claimants designated as mandatory participants by the DLEG-UIA, the MWA, if they choose to honor the rescheduling request, must document the request, the reason, and the next scheduled service in the OSMIS database. Mandatory claimants who are working but underemployed (i.e., working only one or two days per week) are still obligated to participate in profiling sessions.

If the MWA chooses to excuse any claimant from attendance, the fact that the claimant is excused must be noted in the OSMIS database. This supplementary documentation is not necessary in the case of profiled claimants selected by the MWA and designated as Profiled-Voluntary claimants. Selected mandatory profiled claimants may also be excused from participating in profiling and reemployment services by requesting a waiver from the DLEG-UIA Profiling Coordinator. Only DLEG-UIA Profiling Coordinators may grant waivers. The DLEG-UIA informs the MWA of any waivers granted.

Mandatory profiled claimants who fail to attend their scheduled information sessions without having requested and been granted waivers might be deemed ineligible by the DLEG-UIA profiling coordinators for UI benefits for that week. If any mandatory claimants refuse to participate or Do Not Report, their refusal is

noted on the Profiling Services screen in the OSMIS database, and they are not rescheduled.

Profiled claimants attend a mandatory information session that presents them with an overview of services available through the MWSCs. After the information session, MWA staff assists claimants in creating their ISS if they can benefit from the available services. Not every identified claimant will benefit from profiling. A claimant who cannot benefit from profiling services is excused. A claimant who can benefit is scheduled for those reemployment services that will be the most useful. The ISS contains the services identified and agreed to by the claimant. The claimant must participate in the agreed upon services. If the claimant has been designated as a mandatory participant by the DLEG-UIA, any failure on the part of the claimant to participate in the scheduled services must be documented in OSMIS.

Reemployment services offered to the claimant may be any of the services provided by the MWSC, customized to the specific needs of the individual. Reemployment services are activities that provide job search assistance to the customer. The following is a list of reemployment services that are provided to customers through MWSCs.

- Job Development

  Job development is an attempt to solicit a job interview for a specific job for a specific applicant for whom there is no suitable job listing on the MTB. A job development contact is a contact made by telephone or in person with a specific public or private employer.

- Job Search Planning

  A job search plan is a plan developed for an applicant that includes the necessary steps and timetables to achieve employment in a specific occupation, industry, or geographical area. The plan may be in written or oral form.

- Job Search Workshop

  A Job Search Workshop is a short seminar designed to provide participants with knowledge that will enable them to find jobs. Subjects are not limited to, but should include: LMI, application completion, resume writing, interviewing techniques, and job lead identification.

- Employment Testing

  It is important to emphasize the importance of considering more than test scores to reach an informed decision about each job seeker. Wagner-Peyser funds may only be used to administer DLEG/BWP endorsed tests. The DLEG/BWP has endorsed two categories of assessment tools. The two

categories are career exploration tools and skill or grade level identification tools. The O*NET instruments may only be used for career exploration purposes. The Work Keys System and the Tests of Adult Basic Education may be for both career exploration and identification of skill level.

- Career Guidance

  Career guidance is the provision of information, materials, suggestions, or advice that are intended to assist the claimant in making occupation or career decisions.

- Resume Writing Assistance

  Resume writing assistance involves providing instructions to job seekers on the content and format of resumes and cover letters.

  The state is currently developing an enhancement of this service by increasing one-on-one assistance to Profiled-Mandatory claimants. Additionally, the state is planning to offer additional funding to those MWAs that implement the enhanced resume writing service.

- Specific LMI

  LMI involves providing a job seeker with information concerning occupational staffing patterns, working conditions, and pay of firms or industries.

There are no extraordinary follow-up requirements for this program. If at any time a claimant, whose participation has been designated as mandatory, fails to report for scheduled services, it is reported to the DLEG/UIA.

Extenuating circumstances may cause an MWA to be unable to serve profiled claimants in a given week. The following are a few examples of why an MWA may be unable to serve profiled claimants for a particular week:

- There are a limited number (i.e., 2) of claimants profiled that week for the MWA,
- The room used for information sessions is unavailable that week,
- The staff member who delivers the information session is unavailable that week, or
- Financial resources are not available.

The MWAs with a limited number of weekly profiled claimants use one of three alternative strategies:

1. Conduct one-on-one sessions,

2. Consolidate and conduct a combined workforce area information session each week, or
3. Conduct fewer information sessions (i.e. biweekly).

Approximately 25 percent of the MWAs use these alternatives.

The OSMIS is annotated in a timely manner with information about claimants who are selected to attend information sessions and those who are selected to receive reemployment services. Any services received by the claimant, such as job search workshops, resume writing assistance, etc., are reported in the OSMIS database. In the case of mandatory participants, the MWA must also use the Profiling Services screen in the OSMIS to report the date the claimant completed their service plan and update the ISS to indicate that the plan has been completed.

IX.C.4.c. **Describe how the State administers the unemployment insurance work test and how feedback requirements (under §7(a)(3)(F) of the Wagner-Peyser Act) for all UI claimants are met.**

The DLEG and the MWAs are responsible for the administration of the UI work test. The UI work test assures that those claimants receiving unemployment insurance compensation are registered for work exposed to the maximum number of job opportunities and are able, available, seeking full time work, and not refusing any offers of suitable employment.

The ES provider assists in administering the work test by making sure UI claimants have an active, valid resume in the MTB and that this information is transmitted to the UIA. It is also the responsibility of the ES provider to report to the UIA any incidents that are brought to their attention of claimant non-compliance with the provisions of the work test.

The UI work test requirements are two-fold. The first requirement is the ***registration for work requirement.*** The DLEG requires that UI claimants complete an ES registration. Completion and activation of a resume in the MTB meets the registration requirement. Claimants may enter the registration/resume at any computer that can access the MTB via the Internet. If a claimant chooses to enter their resume at a location other than a MWSC, the claimant still must go to a MWSC to have the resume verified. Resumes placed on the MTB remain active for a one-year period after the last activity or updating by the claimant. Claimants are required to update their resume each time a new claim is filed.

The UIA advises claimants to complete a resume and report to a MWSC within five (5) business days of filing their claim for benefits. A claimant will also receive from UIA a verification card to which the ES provider will apply a unique stamp and initial after the registration is verified.

The ES provider electronically logs the name and Social Security number of each claimant after the ES registration has been verified, and sends an electronic file transmitting the claimant's validated registration data to the DLEG. The

DLEG/BWP ensures that the DLEG/UIA receives timely notice that the claimant has completed the registration/resume. The DLEG/UIA then authorizes payment of the registrant's claim, if all other requirements are met.

The second part of the UI work test is ***reporting claimant non-compliance***. Non-compliance with the requirements of the work test occurs when a UI claimant is unable, unavailable, fails to seek full-time work, and/or refuses any offers of suitable work. MWAs, as part of their agreement with the DLEG under the Wagner-Peyser Act, are required to contact the UIA if it appears that a claimant is not complying with any, or all, aspects of the work test. Any specific evidence of a claimant's unavailability for, or failure to seek, work that comes to the attention of an individual assigned to deliver ES must be reported to the DLEG/UIA by completing form DLEG/BWP 303, the Claimant Advice Slip.

Only the UIA has the authority to determine whether or not a claimant has met the conditions required to receive unemployment benefits. ES providers do not give any advice to UI claimants regarding their UI benefits. However, ES providers are trained to notice occurrences of non-compliance. All claimants must be physically and mentally able to work full-time. Claimants must be able to do the kind of work that is suited to their experience, training, and education. As an example, if a claimant whose usual occupation is construction work came to a MWSC in a wheel chair with two broken legs, the ES provider would report to the UIA that the claimant was in a wheel chair with two broken legs. The UIA would investigate and issue a determination.

All claimants must be available to perform suitable full-time work on any shift during which their customary work is ordinarily performed and in a locality that is deemed within their commuting distance. As an example, a claimant reports to a MWSC that he has received a job offer as a result of his MTB resume. The job will require him to drive 20 miles each way and he believes his car will not stand up to such a long drive. He refuses to accept the job offer. The ES provider reports the situation to UIA who will investigate and make a determination.

The BWP and the UIA have established specific criteria for obtaining a waiver of the Unemployment Insurance (UI) seeking work requirement, which pertains only to those claimants collecting regular UI benefits (non-TAA/Trade Readjustment Assistance claimants) and who are not available for and seeking work due to the training. The Michigan Employment Security Act provides for the granting of such a waiver to UI claimants who are unable to find a job for which they are suited by training or experience within the locality in which they are claiming benefits. The UI claimant does not have to be enrolled in training being paid for by an MWA in order to qualify for a waiver, although the training must be vocational in nature.

An individual with an unexpired benefit year may obtain a waiver of eligibility to pursue vocational training or retraining if all of the following conditions are met:

- Reasonable opportunities for employment in occupations for which the individual is suited by training and experience do not exist in the locality in which the individual is claiming benefits.

- The vocational training course relates to an occupation or skill for which there are, or are expected to be in the immediate future, reasonable employment opportunities.

- The vocational training has been approved by the local WDB.

- The individual has the required qualifications and aptitudes to complete the course successfully.

- The vocational training course has been approved by the State Board of Education and is maintained by a public or private school or by the BWP.

The term vocational training (also referred to as career and technical education) means organized educational activities that:

- Offer a sequence of courses that provides the individual with the academic and technical knowledge and skills the individual needs to prepare for further education and for a career in current or emerging employment sectors; and

- Include one or more of the following: competency-based applied learning that contributes to academic knowledge, higher-order reasoning and problem solving skills, work attitudes, general employability skills, and occupation-specific skills.

Vocational means the acquiring of academic, technical, or occupational skills that provide industry-recognized credentials that prepare an individual for employability. Examples of this are:

- A nursing program that can result in employability as a registered nurse or in the nursing field.
- A certification/licensing program in the health occupations, such as ultrasound technician, x-ray technician, or respiratory therapist.
- A teaching certification that allows the individual to seek employment in the education field.

- An associate degree that prepares an individual for further education or a career.
- Completion of a degree that prepares an individual for employability.

- A certification, credential, or licensing program that provides occupational skills, such as a trade program, information technology

certifications, financial planning, commercial driving, or cosmetology school.

Eligibility waivers cannot be approved by the UIA unless these criteria are met. All claimants who have not received a seeking work waiver must actively seek full-time work. Claimants must be registered for work by having an active resume online in the MTB. As an example, if it comes to the attention of an ES provider that a claimant has inactivated his/her MTB resume while receiving unemployment benefits, the ES provider is required to contact the UIA and report the circumstance. The UIA will investigate and issue a determination.

Claimants may not refuse any offers of suitable work. If an employer identifies a claimant's resume in the MTB and offers work and the claimant fails to respond or refuses the work, that claimant may be deemed ineligible for benefits. An employer can alert UIA that an individual has refused an offer of work directly through the MTB. If an ES provider is aware of a circumstance in which a claimant has refused an offer of work, or a "call-back" from an employer by whom they have been previously laid-off, the ES provider must immediately contact the UIA and inform them of the situation.

When issues of non-compliance come to the attention of the ES provider, it is the responsibility of the provider to notify the UIA that a possible non-compliance situation exists. The UIA will then investigate and make a determination based on the facts. The MWSC must initiate non-compliance reporting. This reporting consists of using Form DLEG/BWP 303, the Claimant Advice Slip to report any claimant non-compliance to UIA.

IX.C.4.d. **Describe the State's strategy for integrating and aligning services to dislocated workers provided through the WIA rapid response, WIA dislocated worker, and Trade Adjustment Assistance (TAA) programs. Does the State have a policy supporting co-enrollment for WIA and TAA?**

As a system, services from the state's workforce investment system are provided through a single delivery system and are accessible in an integrated manner, seamless to the customer. The state has implemented policies and procedures to act as guiding principals to ensure coordination of services. The services to dislocated workers are delivered in coordination with other dislocated worker related programs administered by the MWAs, to maximize program efficiency and prevent duplication of services.

The state has a comprehensive procedure to serve customers using WIA Rapid Response, WIA Dislocated Worker, and TAA programs. A Rapid Response team begins the process by interacting with companies that have, or plan to, lay off workers. Information regarding WIA Dislocated Worker and TAA are provided to the company/union officials at this early stage. Worker meetings are planned at this point to discuss the workforce program available in more detail, including dislocated worker. TAA meetings occur when/if certification occurs.

The OSMIS provides data collection and reporting for the majority of career development programs within the DLEG, such as, Mediated Services, Welfare Reform, WIA, and TAA.

Central to the OSMIS is the ability to share service information across programs. The ISS and case notes are available for all service delivery staff to access and update, thereby reducing the potential for duplication of services between programs.

In accordance with state policy, local TAA program staff must coordinate with WIA Dislocated Worker, Rapid Response, and other local One-Stop career center system partners to facilitate more informed decision making and to expedite the participant's return to employment. Furthermore, to maximize TAA funding, MWAs must emphasize dual enrollment in the WIA Dislocated Worker Program, as appropriate. Co-enrollment is strongly encouraged, and is consistently discussed at MWA training seminars and TAA On-Site Field Visits. For fiscal year 2006, Michigan's TAA participants reached 47 percent co-enrollment with the WIA.

IX.C.4.e. **How is the State's workforce investment system working collaboratively with business and industry and the education community to develop strategies to overcome barriers to skill achievement and employment experienced by the populations listed in paragraph a. above and to ensure they are being identified as a critical pipeline of workers?**

Business and educational representatives serving on the state and local boards work with the DLEG to provide strategic direction for the state's workforce investment system. Specific initiatives established by the Governor also foster this collaboration to achieve state goals related to the state's economy and workforce for all groups who seek services. These include:

- 21st Century Workforce Initiative

  The overarching goal of the initiative is to develop coordinated regional planning to help Michigan regions build stronger regional economies. The successful coordination of workforce development, economic development, and community development strategies will help transform our state into a 21st century global economy. Stakeholders in 13 regions, which includes the state's 3 WIRED initiatives, have been convened to address immediate workforce needs, such as adoption of a lay-off aversion strategy, supporting community-led efforts to address plant closings and lay-offs through linking economic and workforce development, and creating regional workforce development teams to implement these strategies and make successful transitions to new markets, new jobs, and new work skills.

- MiRSAs

  MiRSAs will promote and develop ongoing and sustained strategic

partnerships through the linkage of workforce policies to economic development policies in priority industry sectors of manufacturing, healthcare, life sciences, and other industries of state and/or regional importance. Part of the overall MiRSA strategy includes the identification and communication of the vision and value of industry-focused strategies by employers, local WDBs, community colleges and other education, business, and labor organizations through the Michigan Works! system.

- MI Opportunity Partnership

  Employers are targeted to work in partnership with the state and the MWSCs to fill current job vacancies. The MI Opportunity Partnership will involve retooling Michigan's job training programs and proactively steering unemployed workers into high-demand career fields, such as health care and the skilled trades. Employers will identify their labor force needs, including existing vacancies, and identify required occupational skill sets and training needs through local MWSCs. Michigan will implement a targeted marketing campaign that includes contacts with over 250,000 individual employers, business and occupational associations through site visits, formal presentation, letters, and surveys.

- Road Construction Workforce Development Program Statewide Partnership Committee

  The vision of the Road Construction Workforce Development Program is to provide a sustained road construction workforce of diverse, trained, and certified individuals. The program will work to equip a diverse pool of Michigan residents with the skills for sustainable employment in the road construction industry and identify, leverage, and maximize state, federal, and local resources to create a sustainable process for supplying a qualified, diverse pool of highway construction workers. A key goal of the committee is to develop policies and strategies to address local participation in job training and employment opportunities for minority, female, and economically disadvantaged individuals in the building of federally funded transportation projects in low-income communities with high unemployment.

- The Lieutenant Governor's Commission on Higher Education and Economic Growth

  The Commission is charged with identifying strategies to double the number of Michigan residents with degrees and other postsecondary credentials of value within ten years. The Commission consists of 40 members including university and college presidents, lawmakers, state department directors, and other individuals representing business, labor, recent college graduates, skilled trades, and K–12 education.

IX.C.4.f. **Describe how the State will ensure that the full array of One-Stop services are available to individuals with disabilities and that the services are fully accessible?**

The state's policy on Certification Criteria for MWSCs (Attachment C) includes that priority be given to assure that, throughout the system, persons with physical, mental, cognitive, and sensory disabilities have programmatic and physical access to all services. MWSCs need to be inclusive of all customers to be effective. Inclusion honors and accommodates diversity. A universally accessible system requires meeting the diverse customer needs that exist within the local service area, which includes the needs of individuals with disabilities, people of different cultures, and persons with barriers to employment. Where inclusion abounds, centers are welcoming, inviting, accommodating, and accessible to everyone. This commitment to adequately serving persons with disabilities extends beyond the specialized services of vocational rehabilitation to the system as a whole, and assumes the responsibility of continuously enhancing system capacity for achieving that aim. To ensure a universally accessible and inclusive system, each local service area is encouraged to embrace the overall philosophy of Michigan's One-Stop Inclusion Workgroup Final Report referenced in Section VI.C.

MWSCs are certified biennially utilizing the previously discussed three-step process. In addition with this certification, MWSCs must also verify that they have developed a plan to address accessibility and inclusion, as required in their Equal Opportunity Compliance Review

In 2006, Michigan was awarded Disability Program Navigator funding from USDOL/ETA for two years to improve workforce services for individuals with disabilities, including those with psychiatric and other non-visible disabilities. This funding has allowed Michigan to establish new staff positions called Disability Program Navigators (Navigators) in nine local One-Stop Career Centers. The program's primary objective is to increase employment and self-sufficiency for individuals with disabilities by enhancing the linkage between employers and state Workforce Investment Boards through the One-Stop Career Centers where the Navigators are placed.

Furthermore, two MWAs have utilized workforce incentive grants to carry out activities that align with the Navigator Initiative.

IX.C.4.g. **Describe the role LVER/DVOP staff have in the One-Stop Delivery System? How will the State ensure adherence to the legislative requirements for veterans' staff? How will services under this Plan take into consideration the agreement reached between the Secretary and the State regarding veterans' employment programs?**

Michigan's ES, both Wagner-Peyser and VETS, have been collocated within MWSCs since 1998. Veterans Employment Representatives are DLEG/BWP employees, classified as DVOWs or LVERs. DVOWs and LVERs are assigned to MWSC offices full-time, part-time, or by appointment, by the DLEG/BWP to

provide specific workforce development services for veterans over and above those services ordinarily available from ES providers. DVOWs and LVERs have been specifically trained to assist veterans facing barriers to employment. Case management is utilized for those disabled veterans who require on-going, one-on-one personal assistance over a period of time in order to obtain suitable employment. Wagner-Peyser services are delivered by ES providers who are contracted merit staff. Veterans' Representatives, Counselors, and Agricultural Staff are state employees.

With a "Transparent Service Delivery" mandate, the veterans' staff is an integral part of the workforce delivery system in Michigan. The state's OSMIS, an integrated electronic reporting system, which serves VETS, WIA, Wagner-Peyser, TAA, and Work First clients, integrates service implementation and delivery across program lines. DVOWs and LVERs actively participate in staff meetings, cross program provider conferences, job fairs, career fairs, exclusive hiring agreements, rapid response business and plant closing operations, staff training sessions, employer contact teams, and other activities as the opportunities arise in their MWSCs.

Michigan's DVOWs and LVERs maintain active participation in local chambers of commerce and other community and employer organizations through their affiliation with the One-Stop. State staff also promote and coordinate services with other service providers within the One-Stop. Michigan's staff also works with community based and veteran's service organizations to the benefit of job seeking veterans. The state's credentialing efforts, training, and conferences will continue to increase coordination between the educational community at the post secondary level and One-Stop partners in the service of veterans. DVOW/LVER staff provides technical assistance to local MWSC staff on issues of veterans' priority of service. The order of priority is followed as stated in Chapters 41 and 42 of Title 38 U.S.C.

MWSC reception/triage staff refers veterans needing intensive services to a veterans' representative, where available. As a matter of state policy, VETS posters, promoting veteran representatives services and availability, are posted in all MWSC lobbies in full view of the public.

LVERS and DVOWs will continue to develop job openings for veterans, monitor mandatory job listings from federal contractors, and provide enhanced and expanded promotion to federal contractor employers. In accordance with federal law, there will continue to be full compliance with veterans' preference requirements in delivering job finding and placement services. These services will be monitored and reported to service delivery point managers by LVER/DVOW staff who advocate for veterans' preference matters. LVERs and DVOWs staff are integrated and collocated in the MWSCs. If a location does not have a permanently assigned Veteran's Representative, another DVOW or LVER may cover multiple locations. The following table shows the distribution of Veteran's Representatives by MWA:

Distribution of LVER and DVOP Staff in the Michigan Works! Agencies

MWA Name		# of DVOWs	# of LVERs
ACSET: Area Community Services Employment and Training Council		1	1
Berrien-Cass-Van Buren		1	1
Calhoun ISD (Intermediate School District)		2	1
Capital Area Michigan Works!		1	1
Career Alliance, Inc.		1	1
Central Area Michigan Works! Consortium		0	1
City of Detroit Employment and Training Department		3	2
Eastern Upper Peninsula Michigan Works!		0	1
Kalamazoo-St Joseph Michigan Works!		1	0
Michigan Works! The Job Force Board / Six County Employment Alliance		1	1
Livingston County Michigan Works!		0	0
Macomb-St Clair Workforce Development Board, Inc.		1	4
Muskegon-Oceana Consortium		1	1
Northeast Michigan Consortium		2	0
Northwest Michigan Council of Governments		3	1
Oakland County Michigan Works! Workforce Development Division		4	0
Ottawa County Michigan Works! / Community Action Agency		0	1
Michigan Works! Region 7B Employment and Training Consortium		0	1
Saginaw-Midland-Bay Michigan Works!		2	2
South Central Michigan Works!		1	2
SEMCA: Southeast Michigan Community Alliance Michigan Works!		1	4
Thumb Area Michigan Works!		1	1
Washtenaw County Workforce Development Board / Employment Training and Community Services Group		1	1
Michigan Works! West Central		0	1
Western Upper Peninsula Michigan Works!		1	0
DLEG-BWP Employment Service Interviewers—Project Move	4		
DLEG-BWP Veterans' Coordinator			1
TOTALS	**4**	**29**	**30**

A MOU with Veterans Affairs Vocational Rehabilitation and Employment was executed to enhance services for veterans with disabilities and to ensure that priority of service for that population is continued.

Veteran's preference and access to specialized services will continue to be key services for veterans in Michigan through the MWSCs. Direct access by employers to job seeker resumes through the MTB allows veteran's representatives to focus on customized services, which significantly improve the likelihood of veterans getting jobs or upgrading their skills through conveniently accessed job training. Michigan has a system, which puts a 24-hour hold on all

new job orders entered in the MTB and reserves those orders for referral of veterans only. The purpose of this 24-hour job order hold is to ensure preference in referral for veterans.

Because the Michigan Labor Exchange is a World Wide Web based, globally accessible system, veterans have the opportunity to access it, post their resumes, and search for jobs before coming to Michigan. Veterans' resumes are clearly identified in the MTB and are listed first among equally ranked candidates when search results are posted. Enhancement to the MTB will continue to ensure that veterans' preference is provided across all categories.

Michigan's Veterans' website at http://www.michigan.gov/veteranjobs provides information to veterans throughout the world. The website may be the first contact many veterans and active military personnel have with VETS and DLEG. The state and local information available on the website is enhanced by its link to USDOL/VETS and related sites. DVOWs and LVERs are contacted by active duty personnel stationed worldwide as a result of information posted on the website.

The Veterans' Hour, a weekly radio show on veterans issues, is broadcast in the most populated market in the state, the Detroit area and the southeastern Michigan area.

Michigan's returning veterans will particularly benefit from Project MOVE (Michigan's Opportunity for Veterans Employment). Project MOVE was created to assist returning and recently separated veterans in their transition to civilian employment (**http://www.michigan.gov/mdcd/0,1607,7-122-1679_1818_3794---,00.html**). Project MOVE is involved with credentialing, a process that converts military training and experience into civilian equivalents, thereby offering the opportunity for veterans to move into a civilian position at a level equivalent to their military education, training and position.

DLEG/BWP will lead the employer campaign with a coordinated effort between Project MOVE staff and the Joint Outreach Initiative, an initiative coordinated with VETS staff and Employer Support of Guard & Reserve (ESGR) representatives, working with ESGR and veteran-friendly employers from organizations with which the VETS have not worked previously, and local DVOW and LVER staff promoting recently separated veterans with transferable skills as highly desirable candidates to high wage employers.

Sec. 410 (2) of Michigan Public Act 354 of 2004 states that DLEG/BWP must ensure each MWSC has the necessary equipment to allow the DVOW or LVER to perform his or her duties in the same manner they were performed prior to February 1, 1998 (collocation). MWAs must agree, in the annual plans they submit to the DLEG/BWP, to provide facilities for state veterans' staff.

MWSCs will continue, as required by Sec. 410 (3) of Michigan Public Act 354 of 2004, to have an employee available to ask each individual who enters the office

for service whether that individual is a veteran, and to refer veteran's needing other than core services to the DVOW or the LVER on duty at the time. If a Veterans Employment Representative is not available, the ES provider will supply contact information for the Veterans Employment Representative through a referral process established jointly by the Veterans Employment Representative and the ES provider.

DLEG/BWP will ensure that at least one DVOW Specialist or LVER is present at each MWSC on a full or part-time basis during hours of operation as mandated in Sec. 410 (1) of Michigan Public Act 354 of 2004.

In accordance with Sec. 410 (4) of Michigan Public Act 354 of 2004, MWSCs will continue to post in a conspicuous place within the office a notice advising veterans that a DVOW specialist or LVER is available to assist him or her. MWSCs will also provide free mediated services to employers wishing to hire a veteran, as mandated by Sec. 410 (5) of Michigan Public Act 354 of 2004. The department shall also continue to make the appropriate placement of veterans and disabled veterans a priority, as specified by Sec. 410 (6) of Michigan Public Act 354 of 2004.

MWAs must ensure that ES providers comply with the Jobs for Veterans Act Public Law 107-288 of 2002, and Title 38 of U.S. Code. The Jobs for Veterans Act Public Law 107-288 requires that all U.S. veterans and eligible persons must receive priority in vocational guidance, training, and job placement services in accordance with the order of priority established.

The Job Service Complaint System, administered by DLEG/BWP and the MWAs, is used to report complaints regarding compliance of federal contractors to the State Director for Veterans' Employment and Training (DVET**)**. In addition, DLEG/BWP consults with the DVET on the appointment and integration of DVOWs and LVERs into MWSCs and on the elevation of issues to the Regional Administrator for DVET if concurrence is not reached.

The DLEG/BWP and the MWAs follow the recommendations of the Secretary's Advisory Committee on posting notices to encourage veterans to identify themselves as veterans, regardless of gender.

Michigan will continue to utilize the ETA 9002 Report to report all mediated services provided to individuals, including veterans. In addition, DLEG/BWP utilizes both services data and statistically valid and reliable sample survey data to estimate system-wide activities and performance, including rates of veteran customer satisfaction. As recognized in hearings conducted by the Congressional Commission on Service Members and Veterans Transition Assistance, it is important to focus on service outcomes, particularly on the number of veterans getting good jobs, rather than process.

The sample methodology utilized to report on ETA Wagner-Peyser services is as follows: For job seeker services, 10 percent of all new MTB registrants during a

month are mailed a written survey 90 days after the month. A computer-assisted random number generator determines the ten percent sample. For employer services, 100 percent of all new employer registrants during a month are mailed a written survey 60 days after the month.

Michigan will meet the following negotiated performance measures by focusing on providing the services mentioned earlier.

Grant Based Performance Measures for DVOP and LVER

Veteran Group Performance Measure	Averaging Entered Employment Rate Only
DVOP	48%
LVER	48%

Michigan will have $57,240 to spend on incentive awards for Fiscal Year 2007. Many of the veterans' representatives are currently involved in innovative activities. DLEG/BWP plans on recognizing and rewarding these activities and inspire others to imitate best practices. There will also be recognition for new and innovative activities and programs, and the fostering of an environment that will encourage innovation rather than settling for the status quo. With the potential for award and recognition, the inclusion of all Michigan Works! staff will elevate the awareness of veteran's issues and services. The DLEG/BWP has defined two specific categories of awards:

1. Performance Incentive Awards

   These awards are based on the DVOW or LVER being able to achieve a baseline performance level in 7 of 12 categories. Categories include meeting performance standards, conducting outreach visits, making employer contacts, attending community and business organization functions, attending promotional events, partnering initiatives, organizing promotional events, organizing and putting on job fairs, credentialing activity, attending Veterans Service Organization (VSO) functions, and making promotional visits to educational institutions and apprenticeship officials.

   Veteran Representatives will self nominate and regional management will review application packets for accuracy.

2. Excellence in Service Awards

   These awards will be given to high performing individuals. All persons working with veterans in the employment arena are eligible, and nominations will be accepted during an open two-month period. The DLEG/BWP will collect the nominations, review them for content, and forward them to a non-bureau panel of judges for the award decision. The panel will consist of

individuals from MRS, the DVET, a VSO representative, a Michigan Works! representative, and one non-aligned person.

For the first year the awards include training, classes, trips to conferences and seminars, VSO Conventions, etc.

IX.C.4.h. **Department of Labor regulations at 29 CFR 37, require all recipients of Federal financial assistance from DOL to provide meaningful access to limited English proficient persons. Federal financial assistance includes grants, training, equipment usage, donations of surplus property, and other assistance. Sub-recipients are also covered when Federal DOL funds are passed through from one recipient to a sub-recipient. Describe how the State will ensure access to services through the State's One-Stop delivery system by persons with limited English proficiency and how the State will meet the requirements of ETA Training and Employment Guidance Letter (TEGL) 26-02, (May 29, 2003) which provides guidance on methods of complying with the Federal rule.**

As part of our continuing efforts to provide universal access and to comply with Title VI requirements, the State of Michigan has notified recipients within our One-Stop delivery network of their obligation to provide language assistance services and implement reasonable measures to ensure meaningful access to programs and activities by individuals with limited English proficiency. State policy requires that MWAs and their recipients implement service mechanisms to ensure that Limited English Proficient (LEP) customers are:

- Able to receive adequate information about programs and services,
- Understand the benefits of the programs and services available,
- Receive the benefits of programs and services for which they are eligible, and
- Effectively communicate the relevant circumstances of their situation to the MWA and/or provider agency.

Recipients are further required to make a thorough assessment of the language assistance needs of the LEP population within their service area by conducting the four-factor analysis that balances key factors recommended by the Department of Justice and USDOL in their respective LEP Policy Guidance. All agencies that participate in the state's workforce delivery system must, based on results identified in the four-factor analysis, develop a written language assistance plan that describes the protocols and procedures that will be implemented to ensure LEP program access. Such plans must describe:

1. The range/mix of oral language assistance services (i.e. bilingual staff, staff interpreters, contract interpreters, community volunteers, telephonic interpreter services) to be provided and the procedures implemented to guide staff in selecting the appropriate type(s) of interpreter service to meet individual customer needs within a reasonable standard of promptness.

2. The means by which vital documents and other written materials are made available in regularly encountered non-English languages.

3. The methods that will be used to proactively notify LEP persons, in their primary language, of their right to receive language assistance services**,** free of charge, and the means by which the general public will be made aware of the availability of both written and oral translation services.

4. The training plan developed to ensure that staff, at all levels within the service network, are made aware of the state's LEP service standards and the Title VI prohibition against national origin discrimination.

5. The assessment/monitoring process that will be implemented to periodically review and implement continuous improvement elements into the local LEP service strategy.

To assist recipients in designing and implementing effective LEP practices, the state has provided LEP training, made translated versions of vital notices/multi-media materials readily available, and has disseminated LEP-related best practice recommendations and federally developed compliance assistance tools to recipient agencies.

IX.C.4.i. **Describe the State's strategies to enhance and integrate service delivery through the One-Stop delivery system for migrant and seasonal farm workers and agricultural employers. How will the State ensure that migrant and seasonal farm workers have equal access to employment opportunities through the State's One-Stop delivery system? Include the following: the number of Migrant and Seasonal Farmworkers (MSFWs) the State anticipates reaching annually through outreach to increase their ability to access core, intensive, and training services in the One-Stop Career Center System.**

The DLEG/BWP will use Wagner-Peyser funds to support 17 AES full time equivalent positions to complete the outreach and bilingual service activities. The AES will perform related workforce development activities. Attention will be focused on:

- Providing MSFWs with the full range of employment services;
- Assisting employers in filling their job openings, as well as providing resource information as needed;
- Pre-season activities in anticipation of the demand for agricultural workers; and
- Using Internet technology to inform MSFWs about in and out of state job openings.

The state anticipates approximately 20,500 MSFW contacts will be made annually through outreach. The AES will rely on face-to-face contact as the primary means of providing outreach services. In addition to printed materials used regularly by the MWSC, AES will utilize form DLEG/BWP 300B, *NOTICE TO APPLICANTS.* The DLEG/BWP 300B is a bilingual pamphlet that informs applicants of all available services and helps facilitate their access to Michigan's electronic labor exchange system.

The initial contact by the AES is held at the MSFWs working, living, or gathering area that may be either state supervised or non-state supervised day-haul sites. Communication by the AES may be by means of written and/or oral presentations either spontaneous or recorded, in a language readily understood by all. The following information is shared:

- Services available from the MWSC or other employment service locations where locally integrated workforce development services are available, including: referral to agricultural and non-agricultural employment referral for training consideration; referral to supportive services; resume assistance; and availability of testing, career guidance, and other job development services;

- Specific employment opportunities which are currently available on the MTB and on the agricultural labor website to assist those workers employed on a seasonal basis;

- The ES complaint system, migrant resource councils, and community relations organizations serving MSFWs; and

- A basic summary of farm worker rights with respect to the terms and conditions of employment.

The AES will not enter work areas to perform outreach duties on an employer's property without permission of the employer, nor enter workers' living areas without the permission of the workers, and will comply with appropriate state laws regarding access.

During on-site assistance sessions, AES will urge the MSFWs to go to the closest MWSC, or an employment service office, where locally integrated workforce services are available to obtain the full range of employment service assistance. If a MSFW cannot, or does not, wish to visit a designated office, the AES will offer to provide on-site assistance in the following areas:

- Preparation of registrations/resumes;

- Obtaining referral to specific employment opportunities currently available for unemployed MSFWs; or job development, as needed;

- Recommending available employment opportunities on the date after a MSFW current employment ends;

- Preparation of either ES or non-ES related complaints;

- Receipt and subsequent referral of complaints to the local office complaint coordinator;

- Referral to supportive services to address the ES needs identified by the MSFW or a family member; and

- Whenever feasible, in making appointments and arranging transportation for individual MSFWs or a family member to and from MWSCs, or locations where locally integrated workforce development services are provided, or other appropriate agencies.

The AES will make follow-up contacts as necessary and appropriate to provide, to the maximum extent possible, the specified assistance. They will be actively involved with the local Migrant Resource Councils and conduct community relation's contacts in partnerships with their local MWA.

Michigan provides information that informs MSFW of crop and weather conditions, availability of jobs and housing, and emergency messages. Michigan has developed and maintained a bilingual website at www.michaglabor.org that includes the following:

- Current Job Openings/Oportunidades de Trabajos
- Grower Profiles/Perfil de Ranchero
- Seasonal Crop Information/Informacion de Cosecha
- Agricultural Employment Specialist Directory/Especialistas de Empleo en Agricultura
- Migrant Health Services Director/Servicios de Salud para el Trabajador Migrante
- General Service Information/Informacion General de Servicios
- Farm Labor Housing/Casa/Campo-para el Trabajador Migrante
- Day Care & Education/Guarderia de Niños y Educacion
- Future Events

Michigan delivers employment and training services through a system of One-Stop Service Centers. This allows MSFWs who need more intensive employment services or training referrals to easily be connected with WIA Title 1 Adult Services. A toll free 1-800-285-WORKS (1-800-285-9675) number connects all customers, including MSFWs, to their nearest MWA based on the number they are dialing from. This offers a simple one-call access to the system.

The MTB can be accessed from computers provided in the MWSC, or any computer connected to the Internet. Consistent with Michigan's commitment to

universal access to automated labor exchange services, MWAs are required to ensure that any job seeker who has barriers to using computers will be assisted and provided services.

Special programs to advertise job openings for migrant and seasonal farm workers have also been developed and maintined: *"Programa Del Campesino."* The DLEG/BWP, Michigan Works! Berrien-Cass-Van Buren, and the Van Buren Intermediate School District underwrite the *"Programa Del Campesino"* (Farmworker Program) a radio show heard on 103.7 FM and AM 940 WHIT in South Haven, Michigan. This show serves approximately 200 employers and announces job openings in Spanish and English on Sunday evenings from 6:00 P.M. until 10:00 P.M. Many positions have been advertised and heard over the radio. This includes over 100 non-agricultural positions and over 500 agricultural positions.

H-2A, or foreign labor, job orders are also announced in both Spanish and English to make these agriculture positions available to U.S. domestic workers. Recruitment of MSFW for high paying positions at Coca-Cola North America and Welch Foods in Paw-Paw and Lawton are announced continuously throughout the year making high paying jobs with benefits available to settled-out migrant farm workers. This recruiting produces approximately 500 MSFW applications.

"Programa Del Campesino" enhances employment opportunities for both the growers and the farmworkers throughout Michigan. This radio program also announces the Michigan Works! Berrien-Cass-Van Buren One-Stop's calendar of events, business hours, and holiday closings.

Additionally, ***"Programa Del Campesino"*** helps promote the Michigan Career Portal website on a weekly basis along with services provided to MSFW such as legal services, daycare, education, health and medical, employment and training, Michigan driver laws and many other services. The Michigan Career Portal website is the state's online service for state and national education, career, and job information and is accessed through www.michigan.gov/careers.

DLEG/BWP Agriculture staff will make a concerted effort to attend all meetings throughout the state where agricultural employers are present to explain the agriculture program and website. The staff will build on the established cooperative relationships with the Michigan Farm Bureau and Michigan State University Extension Service, as well as their local MI Works! One-Stop Partners. The staff will continue to participate in a series of joint mailings with the Michigan Department of Agriculture to employers with licensed migrant housing.

Michigan will closely monitor employer demand and intrastate and interstate clearance orders as necessary to meet employer needs. Michigan will explore ways to use MWA Internet systems and the electronic labor exchange system to improve the responsiveness of this process. Those needing job placement services are referred to the closest MWSC where locally integrated workforce development services are available.

Michigan employs a permanent full-time State Monitor Advocate and Assistant State Monitor Advocate who conducts ongoing reviews to ensure the MSFW population receives the full range of employment related services through the One-Stop Delivery System. This monitoring function consists of reviewing the significant MSFW local offices as well as conducting frequent field visits to the working and living areas of MSFWs. The State Monitor Advocate also participates in and monitors the performance of the MSFW Complaint System to ensure compliance with all regulations. In addition, the State Monitor Advocate's office provides technical assistance and compliance training to the DLEG/BWP staff.

IX.C.5. ***Priority Of Service***

IX.C.5.a. **What procedures and criteria are in place under 20 CFR 663.600 for the Governor and appropriate local boards to direct One-Stop operators to give priority of service to public assistance recipients and other low-income individuals for intensive and training services if funds allocated to a local area for adult employment and training activities are determined to be limited?**

The state has given local WDBs the discretion to determine priority of service to public assistance recipients and other low-income individuals for intensive and training services if funds allocated to a local area for adult employment and training activities are determined to be limited, consistent with WIA Federal Regulations Section 663.600.

IX.C.5.b. **What policies and strategies does the State have in place to ensure that, pursuant to the Jobs for Veterans Act (P.L.107-288)(38 USC 4215), that priority of service is provided to veterans (and certain spouses) who otherwise meet the eligibility requirements for all employment and training programs funded by the U.S. Department of Labor, in accordance with the provisions of TEGL 5-03 (9/16/03/)?**

The state requires that local MWAs implement local processes and procedures to ensure compliance to the Jobs for Veterans Act, and the associated veterans' priority stipulations for both the WIA and TAA.

The state has met with its federal Veterans Representative who agreed to provide a PowerPoint training session to local MWAs on this subject matter. Subsequently, the state has made the training session available for all MWAs.

Additionally, a portion of the WIA On-Site Field Review Guide utilized by WIA state coordinators for Field Review Visits addresses ensuring compliance to the Jobs for Veterans Act, and its associated veterans' priority stipulations. Specifically, WIA state coordinators will review local processes and procedures that have been implemented to ensure compliance with the Jobs for Veterans Act.

The state has created a Michigan Veterans Bill of Rights Hotline and web site, www.michigan.gov/veteransjobs, to provide information and effective referral assistance to veterans regarding benefits and services that may be obtained through local, state, and federally funded agencies.

Michigan has continued to expand "Project MOVE" (Michigan's Opportunities for Veterans Employment), a specialized and unique project that prepares returning veterans to join Michigan's 21st century workforce with services designed to provide career counseling, credentialing and licensing, customized job fairs, and exposure to a large network of veteran friendly employers.

IX.D. ***Rapid Response***

Describe how your State provides Rapid Response services with the funds reserved under section 133(a)(2).

IX.D.1. **Identify the entity responsible for providing Rapid Response services. Describe how Rapid Response activities involve local boards and Chief Elected Officials. If Rapid Response activities are shared between the State and local areas, describe the functions of each and how funds are allocated to the local areas.**

The state's Rapid Response Section (RRS), housed within the DLEG/BWP, is the state office charged with the responsibility for responding to facility closings and mass layoffs throughout Michigan. Each RRS staff member (Workforce Consultant) is assigned a geographic territory to manage closings and mass layoffs.

In plant closings and mass layoff situations involving 50 or more workers, the workforce consultant contacts the company within 48 hours of receipt of the notice, gathers preliminary information regarding the dislocation event (e.g., dates of layoff, whether there is a bargaining unit at the facility, potential for layoff aversion, etc.) and schedules an on-site Rapid Response meeting with the company and, if applicable, union representatives. Representatives from the local MWA, their boards, and the UIA are notified and asked for their participation in Rapid Response meetings. Chief elected officials are notified through the Worker Adustment & Retraining Notification (WARN) process. Representatives from the local MWA and the UIA also participate in RR meetings. The Workforce Consultant has responsibility for coordinating meetings and contacting participants, setting the agenda, and providing information on the WARN Act, WIA, the Trade Act, available funding, and the Joint Adjustment Committee (JAC) [labor/management committee] process. Local MWA participants provide information on employment services, including the MTB and dislocated worker services (training, assessments, testing, etc.). The UIA representatives provide information on Michigan's UI system. At the conclusion of the Rapid Response meeting, worker orientation/information meetings are scheduled for employees.

In general, plant closings and mass layoff events involving less than 50 workers are referred to the local MWA, after the workforce consultant's initial phone contact with company officials. The workforce consultant gathers information for the section's database, gives the company representative(s) an overview of dislocated worker services, and provides contact information for the nearest MWA. The MWA coordinates worker orientation meetings to provide affected workers with information on services available through the local One-Stop. A representative from the UIA attends worker orientation meetings, along with local service providers.

Dislocated worker funds are provided to the 25 local MWA's through a formula process. Additional dislocated worker funds are reserved by the state for dislocation events beyond normal MWA budgetary considerations. Additional funds are released on a "as-needed-basis" for unexpected dislocation events through the "State Adjustment Grant" process.

In 2006, the state developed the Creating the 21st Century Workforce Initiative, the goal of which was to lead and encourage local MWAs to provide regional leadership in the development and strengthening of regional strategies to address both the immediate and longer-term workforce needs of employers. Most of the 25 MWAs have partnered with neighboring MWAs, resulting in 13 "regional collaborations." Included in the 13 regions are 3 WIRED areas. Additional funding to support development of coordinated regional strategies was provided to the newly formed 13 regions to address the regional impact of plant closings and mass layoffs. The regions were asked to develop and plan the implementation of comprehensive regional strategies that:

- Create a unified approach to working with employers.
- Assess the local workforce and economy.
- Develop a coordinated, regionally led rapid response process to address plant closings and mass layoffs.
- Incorporate a layoff aversion component with the intent of minimizing plant closings and layoffs.
- Focus on developing, attracting, and retaining talent to build and support the 21st Century economy and develop and implement a communications strategy targeted at partners, employers, and the general public.

The goals of the 21st Century initiative are to prevent Michigan's traditional industries and jobs from leaving the state by adopting a layoff aversion strategy; supporting community-led efforts to address plant closings and layoffs through the development of strategies that link workforce and economic development; and creating regional workforce development teams to implement these strategies and make a successful transition to new markets, new jobs, and new work skills.

IX.D.2. **Describe the process involved in carrying out Rapid Response activities.**

IX.D.2.a. **What methods are involved in receiving notice of impending layoffs (include WARN Act notice as well as other sources)?**

Rapid Response activities are typically triggered by a WARN Act Notice. This notice, which provides a 60-day advance notice of a plant closure or mass layoff, is required by federal law when a company with more than 100 employees plans to close or implement a reduction in force at a particular site that will affect at least 50 employees.

In addition to WARN notices, the RRS also monitors media reports (local newspapers, business publications, and the Internet) to identify closings/mass layoffs. Workforce consultants have developed a network of local contacts, such as local MWA staff, economic developers, UIA, and union officials that relay information as soon as it becomes public.

The RRS also has "read-only" access to the MEDC's "Edge" system. This comprehensive database provides information on thousands of Michigan companies; and reports can be generated on "at risk" companies and follow-up done, as needed.

A component of the 21st Century Initiative was to provide funding for contracts with the University of Michigan's Great Lakes Trade Adjustment Assistance Center (GLTAAC) and the Michigan Manufacturing Technology Center (MMTC). The primary focus of these two entities is to provide layoff aversion assistance to Michigan manufacturers at risk due to the current economic environment and/or cutbacks from their major customers. Although their customer information is confidential, the MMTC and GLTAAC will participate in information sharing meetings with the BWP/RRS staff. RRS staff will act on this information on an as-needed basis.

IX.D.2.b. **What efforts does the Rapid Response team make to ensure that rapid response services are provided, whenever possible, prior to layoff date, onsite at the company, and on company time?**

Workforce consultants are required to make initial contact with a company that has announced a closure or layoff within 48 hours of receipt of the information. Rapid Response meetings are scheduled for the earliest date all parties are available or for a specific date and time requested by the company. Rapid Response services (worker information/orientation meetings, workshops, etc.) are scheduled for the convenience of the company, union, and workers. Orientation/information meetings are generally held before or after shifts, including second- and third shifts, if necessary. Companies are encouraged to allow paid leave time during a shift for Rapid Response meetings, however, it is ultimately up to the company to allow worker meetings and activities to be scheduled on company time, if necessary.

IX.D.2.c. **What services are included in Rapid Response activities? Does the Rapid Response team provide workshops or other activities in addition to general informational services to affected workers? How do you determine what services will be provided for a particular layoff (including layoffs that may be trade-affected)?**

Services included in Rapid Response activities are:

- Initial Rapid Response meeting with the company and union officers (if applicable).

- Worker orientation (information) meetings for employees. These meetings include presentations by MWA service providers and provide information on employment services; WIA-funded core, intensive, and training services; special population services (Michigan Rehabilitation services, Veterans' services); and local/community services (United Way, local community colleges, credit union counseling, etc.). Collaboration with other state agencies (e.g., Office of Retirement Services, Friend of the Court), are planned as needed. Michigan UIA representatives also participate in worker orientation meetings and provide information on how to file/claim UI benefits. Worker orientation meetings provide an opportunity for impacted employees to gather information directly from providers and ask questions related to each individual's specific circumstances.

- Informational meetings for trade-impacted workers, arranged by the local MWA when notification of a certification is received.

- In certain cases, the Rapid Response workforce consultant will assist with the establishment and organization of a JAC. A JAC is a labor-management committee established at the worksite whose primary goal is to plan and implement adjustment plans that will assist the impacted workers with their transition to new employment. As part of its activities, and with the cooperation of the company and the local MWA, the JAC can survey workers to determine needs, then plan and arrange for workshops and other services at the site. These can include, but are not limited to: workshops on resume writing and interviewing skills; assistance with the development of an employee newsletter; set-up of an on-site resource room for easier access to informational materials, unemployment registration (assistance with the required MTB registrations), job postings, etc.

The preferred location for workshops and other services is at the employment site. When that is not feasible (due to lack of space or other considerations) services are provided at the local One-Stop Service Center. Services other than those typically available through the MWAs are determined by employee surveys.

IX.D.3. **How does the State ensure a seamless transition between Rapid Response services and One-Stop activities for affected workers?**

The RRS workforce consultants work closely with local MWA staff. Local and state roles are clearly defined; e.g., the state is the first point of contact with the affected company and coordinates Rapid Response meetings while the local MWA organizes worker information meetings and assists workers at the One Stop Service Centers.

IX.D.4. **Describe how Rapid Response functions as a business service? Include whether Rapid Response partners with economic development agencies to connect employees from companies undergoing layoffs to similar companies that are growing and need skilled workers? How does Rapid Response promote the full range of services available to help companies in all stages of the economic cycle, not just those available during layoffs? How does the State promote Rapid Response as a positive, proactive, business-friendly service, not only a negative, reactive service?**

Rapid Response is a key component of the 21st Century Workforce Initiative and, as such, participates in the development and delivery of coordinated regional strategies designed to provide business services. Each region's final plan will include strategies that will:

- Create a unified local approach to working with employers. Rapid Response staff will participate in cross training on programs and services most relevant to each region and will share information with local partners (best practices, available technical assistance, etc.)

- Assess/update the status of the local workforce and economy, and identify current resources and current gaps and misalignments of resources. The RRS will provide information and assistance on available state/federal/ private grants and funding resources to assist employers.

- Provide for a coordinated, regionally based, and managed rapid response process to address plant closings and mass layoffs. RRS (described elsewhere in this section) include information on worker re-training, job placement, and related needs.

- Include a layoff aversion component with the intent of minimizing plant closings and layoffs. The RRS will provide referrals to the MMTC and GLTAAC (described in section IX.D.2.a.). These organizations can assess "at risk" companies and design strategies that will help them remain viable.

The local MWAs use information from the RRS to connect with local employers that need skilled workers. Many employers hire exclusively through their local MWSC. By keeping local employers apprised of dislocation activity in their area, the MWAs are better able to serve their employer clients seeking workers with particular experience or skill sets.

The RRS also works closely with the MEDC to exchange information on companies that may be at risk or have announced a closing or downsizing. The MEDC Account Managers use information on dislocation events to connect employers of growing companies with companies/employees undergoing layoffs. Workforce consultants make referrals to the MEDC when appropriate.

Rapid Response is promoted as a business-friendly service as part of the regional 21st Century Initiative.

Rapid Response and related information (e.g., WARN Act Fact Sheet) are available on the DLEG's website at http://www.michigan.gov/mdcd/0,1607,7-122-1678---,00.html.

IX.D.5. **What other partnerships does Rapid Response engage in to expand the range and quality of services available to companies and affected workers and to develop an effective early layoff warning network?**

In addition to participating in activities with the 13 regional collaborations, RRS staff is available for public presentations to professional organizations and labor organizations, and provide training to local service providers at seminars and conferences. These presentations are designed to increase awareness of available dislocated worker services and to develop networking relationships that will increase the opportunity for early intervention by increasing the flow of information.

IX.D.6. **What systems does the Rapid Response team use to track its activities? Does the State have a comprehensive, integrated Management Information System that includes Rapid Response, Trade Act programs, National Emergency Grants, and One-Stop activities?**

The RRS maintains a database of plant closings and mass layoffs throughout the state. Included is information on type of business (SIC Code); location (street/city/county/MWA); number of workers affected; reason for the closure/layoff; anticipated beginning and ending dates of the event; type of notification; and union local, if applicable. When a RR meeting is held, a detailed written report is prepared on information provided at the meeting.

The RRS is currently in the process of developing a new (Access) database that will continue to store information on statewide dislocation events; however, the new database will be expanded to meet new federal reporting requirements on services to dislocated workers and collect information on regional economic development and business service activities.

In addition, the state's OSMIS provides data collection and reporting for the majority of career development programs within the DLEG/BWP, and includes: Wagner-Peyser, VETS, WIA (including National Emergency Grants), Welfare Reform, TAA, Adult Education, and Displaced Homemakers.

See Section X. A. (State Administration – Technology and/or Management Information Systems.)

IX.D.7. **Are Rapid Response funds used for other activities not described above; e.g., the provision of additional assistance to local areas that experience increased workers or unemployed individuals due to dislocation events?**

Reserve funds are available in amounts of up to $200,000 to local areas that experience a large, unanticipated dislocation event or multiple events, and whose regular formula funding is insufficient to serve the impacted workers.

IX.E.1. ***Youth***

ETA's strategic vision identifies youth most in need, such as out of school youth and those at risk, youth in foster care, youth aging out of foster care, youth offenders, children of incarcerated parents, homeless youth, and migrant and seasonal farmworker youth as those most in need of service. State programs and services should take a comprehensive approach to serving these youth, including basic skills remediation, helping youth stay in comprehensive, integrated services to eligible youth, including those most in need as described above. Describe your State's strategy for providing comprehensive integrated services to eligible youth, including those most in need as described above. Include any State requirements and activities to assist youth who have special needs or barriers to employment, including those who are pregnant, parenting, or have disabilities. Include how the State will coordinate across State agencies responsible for workforce investment, foster care, education, human services, juvenile justice, and other relevant resources as part of the strategy.

MWSCs provide comprehensive services that are available to all eligible youth. The DLEG, in conjunction with the MWAs, provide linkages between the workforce development, educational, juvenile justice, and social services agencies and coordinates with local employers to provide eligible youth entry-level jobs, internships, mentoring, on-the-job training, and other work experience in demand occupations. Additionally, MWSC provisions of services include intensive case management, mentoring, advocacy, referrals to shelter and housing, health care, supportive services, childcare, and transportation. Agencies represented at MWSCs that are a direct benefit to eligible youth include WIA Title I Youth, Vocational Rehabilitation, Vocational Education, Adult Education, Wagner-Peyser, WIA Title I YO Grants (where available), and Job Corps. Job Corps is currently located within three MWAs. Staffing is available to assist eligible youth at each of the three MWAs' service centers. MWAs that do not currently have Job Corps in their area have information readily available and case managers will refer eligible youth, as necessary.

The MRS will assist any youth with disabilities. Pregnant or parenting youth will be assisted with referrals to appropriate agencies. The state does not routinely

refer youth with disabilities to MRS, nor does it label any participant as physically and/or mentally challenged, including youth participants. All youth participants with similar goals are given similar service to accomplish those goals. If certain youth encounter more difficulty than others in attaining their goals, then additional services are offered and provided.

Should a youth with a disability continue to encounter difficulties in obtaining their stated goals, then additional options would be offered to them, one of which, may be rehabilitation services. Should the youth decide that this is an avenue to pursue, an individual assessment will be conducted, and a referral made, if warranted.

Further integration and coordination is achieved through various state level workgroups and forums, including:

The Interdepartmental Task Force on Service to At-Risk Youth Transitioning to Adulthood, which is charged with assessing services to at-risk youth and recommending improvements. The committee consists of representatives from DLEG, DHS, Michigan Department of Community Health, Michigan Department of Education, Michigan State Housing Development Authority, the Governor's Office, and the Michigan Works! Association. The committee's vision is to bring various youth programs together to define linkages for youth to ultimately create a comprehensive mentoring program for youth aging out of foster care.

As a result of the work of the task force, the National Governors Association (NGA) selected Michigan as one of six states to participate in a policy academy on youth transitioning out of foster care. Subsequently, the NGA Team has developed several strategies addressing barriers for youth transitioning out of foster care.

- DHS is developing a plan to automatically refer foster youth at age 16 to local workforce service centers. In order to encourage these youth to self report their status as foster youth, the DLEG/BWP is currently working with the local workforce boards to give priority to foster youth in providing services.

- DLEG/BWP is renegotiating its WIA youth performance levels to remove negative consequences for local workforce boards giving priority to foster youth.

- DLEG/BWP will be issuing a policy allocating a portion of the Detroit and Benton Harbor Summer Youth Programs to foster youth. Chaffee, WIA statewide activities, local youth formula, and various in-kind contributions from local businesses and community organizations will support these programs.

The Michigan Youth Forum Committee was established to participate in the Regional Youth Forum held in November 2004. The committee was selected as one of sixteen state teams to participate in the 2006 advanced forums. This cross-

agency team consists of representatives from DLEG, including Bureau of Career Education, Workforce Programs, and Michigan Rehabilitation Services; the Michigan Works! Association; local WDBs; Job Corps; the DHS/Bureau of Juvenile Justice and Child Welfare Services Administration; the Michigan State Housing Development Authority; Michigan State Police; the Michigan Department of Military & Veterans Affairs; and the Governor's office. The committee examines strategies to maximize resources to prepare the state's youth population to become productive members of the labor force. The committee is planning a state level resource mapping session in order to increase the array of services provided to youth and to improve the state's WIA youth performance measures.

The USDOL Foster Youth Demonstration Grant is administered by the DLEG and DHS, who partner with a local WDB. The grant serves foster youth aging out of foster care, homeless youth, youth offenders (juvenile justice), and other at-risk youth, to successfully achieve independent living status by providing comprehensive services in an environment of high expectations and unconditional support. Those services include, but are not limited to, mentoring services, life skills training, academic remediation, high school completion, General Education Development acquisition, housing assistance, employment and job placement, and retention services.

IX.E.2. **Describe how coordination with Job Corps and other youth programs will occur.**

Job Corps is represented on the Michigan Youth Forum Committee. One of the committee's goals is to provide better linkages between Job Corps and the workforce investment system. The committee is currently developing a pilot project to better coordinate programs, including Job Corps, for foster youth.

The DLEG/BWP has designated a staff person responsible for coordinating services to youth, including Job Corps, YouthBuild, the USDOL Foster Youth Demonstration Project, and MWSCs. This staff member examines youth programs in order to make recommendations regarding better systems of coordination. The DLEG/BWP youth coordinator also serves as the lead member of the Michigan Youth Forum Committee.

Coordination with other youth programs occur through established partnerships at the MWSCs. The MWSCs' comprehensive approach to youth services, previously discussed, facilitates the coordination of services.

IX.E.3. **How does the State plan to utilize the funds reserved for statewide activities to support the State's vision for serving youth?**

The state envisions that all youth have the skills and access to the resources to make Michigan a magnet for opportunity. That is, youth must be prepared with the resourcefulness, education, and creativity to embrace change. All children in Michigan must grow up knowing that their education will not end in high school.

Whether it is a four-year degree, two-year associate degree, or other forms of technical training after high school, continued learning will be a requirement for all who seek a good paying job. To this end, the state seeks to double the number of college graduates in Michigan.

The DLEG is developing an integrated economic and workforce development action plan. The plan presents the strategic steps that are necessary to implement the Governor's vision of Michigan as a magnet for opportunity. During these tight fiscal times, the DLEG envisions strengthening its partnership with private and community foundations, as well as businesses in Michigan and nationwide. The DLEG will work closely with its partners to align investments around effective practice and leverage funding of key initiatives that otherwise might not be possible to undertake. The Department has taken steps to strengthen ongoing linkages with:

- DHS
- Department of Education
- Bureau of Student Financial Assistance
- Other Agencies

The DLEG will challenge local WDBs to become stronger community leaders in key workforce and economic policy issues. The DLEG will provide technical assistance to strengthen the capacity of WDBs to manage the local, strategic integration among workforce agencies, community colleges, and economic developers. The DLEG will also work with community colleges to enhance partnerships between K-12 education, communities, employers, and labor organizations.

Statewide activities reserve funds will be used to support the state's vision for serving youth. Statewide activities funding will be awarded to MWAs with high concentrations of youth. MWAs receiving this funding will be determined by evaluating, based on 2000 Census data, the percentage of youth in the MWA's service delivery area. Subsequently, a statewide average is determined, and any agency that exceeds the average of low-income youth is selected for high concentration of youth funding.

The funding will provide additional assistance to local areas that have high concentrations of eligible youth to carry out activities that:

- Provide an objective assessment of the academic levels, skill levels, and service needs of each participant. The assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interest, aptitudes, supportive service needs, and developmental needs. A new assessment is not required if the provider determines it is appropriate to use a recent assessment of the participant conducted pursuant to another employment and training program.

- Develop service strategies that identify an employment goal, including non-traditional employment, when appropriate; appropriate achievement objectives; and appropriate services. A new service strategy is not required if the provider determines it is appropriate to use a recent service strategy developed for the participant under another employment and training program.

- Provide preparation for postsecondary educational opportunities.

- Provide a strong linkage between academic and occupational learning.

- Prepare participant for unsubsidized employment opportunities.

- Effectively connect to intermediaries with strong links to the job market and local and regional employers.

In addition to serving high concentrations of youth, the state will also utilize statewide activities funding to support the Benton Harbor Summer Youth state initiative. This program will utilize funding to engage the youth of Benton Harbor in summer job, education, and training activities. The overall goal will be to increase long-term employment for youth between the ages of 14-21 who live in the Benton Harbor community. Each youth participant will be individually matched with an employment opportunity, based on his/her academic emphasis, occupational training, career plans and/or post-secondary education goals and objectives. Thus summer employment will be designed to reinforce, enhance, and extend academic and occupational learning.

Furthermore, statewide activities funding will be used to invest in the manufacturing infrastructure of Michigan, through Focus: HOPE. This agency operates the Center for Advanced Technology. The program integrates hands-on manufacturing training and academic learning to educated youth and adults in advanced manufacturing engineering. Through a rigorous program in which students get both work experience and academic course work, candidates work on actual manufacturing and research and development contracts for General Motors, Ford, DaimlerChrysler, the U.S. government, and others.

The State of Michigan will also support a Detroit Youth Empowerment – Summer Works Program. This program will provide summer job opportunities for the youth of Detroit. The funding will give an opportunity for youth to earn wages or stipends through one of three tracts: paid work experience, paid work-based learning activities integrated with classroom instruction, or enrollment in the E-Commerce Summer Camp operated by Wayne State University. A major goal of the program will be to ensure the participation of foster youth, youth offenders, youth with disabilities, and youth residing in the Empowerment Zone. The youth will attend workshops focusing on employability skills, financial literacy, conflict resolution, career exploration, entrepreneurship, community service, teamwork, leadership development, and life skills.

IX.E.4. **Describe how your State will, in general, meet the Act's provisions regarding youth program design.**

The DLEG/BWP, WIA Section staff has developed an On-Site Field Review Guide. The goal of program review is to provide technical assistance, as appropriate, and ensure that established policies, procedures, and systems of the MWA achieve quality program outcomes that meet the requirements and objectives of the WIA and federal and state regulations.

The objectives will determine if local WIA program activities are designed in accordance with the Act, Federal Regulations and Directives, state policy issuances, and other applicable guidelines and goals, and will provide program guidance and direction to assist in providing quality workforce development services to customers.

Staff review of the design framework of local youth programs is incorporated within the Review Guide to ensure Michigan meets the Act's provisions regarding youth program design. This program review is in addition to WIA compliance monitoring, which also ensures the state will meet program design as required by the WIA.

Following an On-Site Field Review, WIA Section staff complete a Field Review Summary detailing the visit to the MWA. This document summarizes the Review and identifies areas of concern that need to be addressed. The WIA staff will provide technical assistance, as requested, for identified areas of concern. Topics that suggest concern throughout the system may also be presented at quarterly Planners/Users Group meetings. Meetings attended by state and local staff provide a venue for the exchange of information, ideas, and an opportunity for MWA staff to review and discuss federal and state policies. Additionally, identified areas of concern are shared with WIA compliance monitoring staff for consideration during future monitoring cycles.

IX.F. ***Business Services***

IX.F.1. **Provide a description of the State's strategies to improve the services to employers, including a description of how the State intends to determine the employer needs in the local areas and on a statewide basis.**

The state realizes that in order for employers to use the public workforce system, they must be aware of the system and comprehend the value the system provides. Subsequently, the state will continue to engage employers to increase their awareness and use of the system and to encourage the sharing of information regarding the system with business peers. The CLEG will also work on identifying ways to increase awareness among all of Michigan's employers and the general public.

Employer needs, both statewide and at the local level, are determined through the following:

- Each MWA has completed an environmental scan and strategic plan. This process allowed MWAs to identify local strengths and weaknesses in serving employers. Subsequent programs align and support local strategic plans, resulting in identified employer needs being addressed.

- Both the CLEG and local WDBs' majority membership is private sector employers. Since both boards are charged as policy makers, statewide employers' needs are represented.

- The state's workforce development association, Michigan Works! has convened a Business Services Users Group, which meets on a quarterly basis. The goal of the Business Services Users Group is to disseminate information that is pertinent to members' day-to-day activities and to discuss issues that impact them and the employer community. As appropriate, state staff will be invited to address questions and/or concerns as well as provide information on new initiatives that may impact group members.

- The 21st Century Workforce Initiative's overarching goal is to develop coordinated regional planning to help Michigan regions build stronger regional economies. The successful coordination of workforce development, economic development, and community development strategies will help transform our state into a 21st century global economy. Stakeholders in 13 regions, which includes the state's 3 WIRED initiatives, have been convened to address immediate workforce needs, such as adoption of a lay-off aversion strategy, supporting community-led efforts to address plant closings and lay-offs through linking economic and workforce development, and creating regional workforce development teams to implement these strategies and make successful transitions to new markets, new jobs, and new work skills.

- The MiRSA initiative is an employer-lead partnership that addresses workforce needs in a specific region and industry sector. The goal of the MiRSA initiative is to increase training program graduates, develop career ladders, expand career focus in K-12, and increase soft skills training.

- The MI Opportunity Partnership is an initiative to assist unemployed workers to get jobs and to assist employers to fill vacancies. The state has contacted over 250,000 employers. During the employer contacts, job vacancies will be identified and employers will be offered assistance provided by the workforce system.

IX.F.2. **Integrate business services, including Wagner-Peyser Act services, to employers through the One-Stop system.**

Similar to the three–tier labor exchange system for job seekers, the three-tier labor exchange system for employers is comprised of self-service, facilitated service, and mediated service. Bringing job seekers and employers together is the core of the labor exchange system. The labor exchange system in Michigan serves all

employers, does not impose eligibility requirements, nor charge user fees for basic business services.

Michigan's electronic, self-service labor exchange system, the MTB is the official labor exchange system funded by DLEG/BWP and the USDOL. The MTB lists job seeker resumes and various job openings. The system can be accessed through any computer with Internet access and allows employers to recruit and select qualified job applicants.

The MTB database includes listings for job seeker resumes, employer job orders, and web-based resources that include: state agencies, local agencies, resume systems, career information, resume writing, cover letter writing, job interviewing, salary negotiation, job search guides, and the Business Locator.

The needs of employers are addressed at the local level through the MWSCs. MWSCs provide integrated services to all employers, at their request, to support economic/workforce development efforts. These services, at the minimum, include:

- Assistance in finding qualified workers;
- Labor exchange using the MTB, which also links to interstate labor exchange;
- Interview facilities at MWSCs;
- State and/or federally generated LMI;
- State and/or federally generated information on the American's with Disabilities Act;
- Information regarding consultations on workplace accommodations for persons with disabilities;
- Information on, and referral to, business start-up, retention, and expansion services;
- Information on, and referral to, sources for developing customized training programs;
- Rapid response to mass layoffs and plant closings;
- Information about training incentives such as OJT programs (based on worker eligibility); and
- State and/or federally generated information on tax credits for new hires.

Assistance in finding qualified workers is provided to employers in a number of ways. Employers may use the MTB to self-post job openings or to search for job seeker resumes by registering with the MTB and obtaining a user ID and

password. Business registrations must contain the employer's name, address, and contact information.

Employers may also request that MWA staff enter job orders on their behalf. All job orders received from employers by an MWA must immediately be entered into the MTB. The state does not permit the suppression of job orders for any reason. The suppression of a job order is a violation of State of Michigan policy and potentially violates many state and federal laws that impact labor exchange activities. Omitting the required identifying information for the employer from a job order also constitutes a suppressed job order.

For certain employers, such as Federal Contractor Job Listing employers, MWA staff may make referrals and develop job orders for specified targeted groups in accordance with state and federal law. For such job development, referrals are made prior to the job order being entered into the MTB. This requirement applies to vacancies at all locations of a business not otherwise exempt under the company's federal contract. Qualified targeted veterans receive priority of referral to federal contractor job openings listed at those locations.

MWAs also assist employers who are registered with the MTB in finding qualified employees by providing them with unscreened results of resume searches conducted on the employer's behalf and based on the employer's search criteria.

Additionally, MWAs assist employers in finding qualified workers through the distribution and collection of employer applications. As a facilitated service for any employer who has a job posting in the MTB, MWAs distribute employer application forms and return the completed, unscreened applications to the employer.

If an MWA agrees to distribute and collect application forms for an employer, the MWA in question is responsible for the content of those forms and for ensuring that no inappropriate information, such as age, sex, race, color, national origin, religion, marital status, handicap or disability, or political affiliation is requested on the form by the employer. The MWA is also responsible for ensuring that Veteran's Preference is observed by submitting all known veterans' applications first.

Screening application forms or resumes and sending only a selected group of job seeker applications to the employer is a mediated service that ES providers may extend to employers who have job orders posted on the MTB. The MWAs are not required by DLEG/BWP policy to conduct screening for employers, but they may do so provided certain prescribed DLEG/BWP policies are observed.

DLEG/BWP instructs MWAs that elect to screen applications or resumes for employers that they are acting as the employer's agent. As an agent for the employer, the MWA is responsible for ensuring that state and federal

employment-related laws are not violated during the course of the screening process.

MWAs are also responsible for knowing whether employers for whom they conduct screening have an affirmative action plan in place, for abiding by the requirements of the employer's affirmative action plan, and for establishing fair and consistent screening criteria. These criteria must be based only on qualifications needed for the job. Acceptable criteria include: level of education, type of degree, licenses or certifications, years of experience, skills and abilities.

Records must be retained to document the criteria used and the methods employed to conduct the screening. The MWAs that agree to screen applications for employers accept responsibility for compliance with state and federal employment regulations. This does not apply exclusively to Wagner-Peyser funded activities, but is true regardless of which funding source is used to finance these types of labor exchange services.

An additional service for employers is the Fidelity Bonding Program (FBP). This program provides an incentive for employers to hire job seekers who are skilled and qualified, but who may be considered high-risk because of factors in their personal background. High-risk job seekers may be from any of the following groups:

- People with poor credit reports,
- People lacking a work history,
- Public assistance recipients,
- Former addicts or substance abusers,
- Dishonorably discharged veterans,
- Ex-offenders, or
- People who cannot be commercially bonded.

The free-of-charge FBP reduces the risk to employers hiring targeted or high-risk workers by insuring them against employee theft, forgery, larceny, or embezzlement. Coverage is available, upon request, in amounts from $5,000 to $25,000 per high-risk worker for six months.

The FBP staff work collaboratively with other state agencies and departments such as MRS, the Michigan Department Of Corrections, Michigan Prisoner Reentry Initiative, and the Work Opportunity Tax Credit (WOTC) program. Access to the FBP information is available 24 hours a day, 7 days a week at the Fidelity Bonding website at http://www.michigan.gov/fidelitybonding.

Increasingly, employers are using job applicant credit records to screen workers. Certain employers equate poor credit ratings with irresponsibility or untrustworthiness. However, many adults, dislocated workers, and at-risk youth over 19 years old developed poor credit ratings and/or other obstacles to employment because of financial misfortune or lack of proper guidance. The DLEG/BWP will increase the promotion of the bonding program among

employers to encourage their participation and assist them in securing qualified applicants. Assisting with the employment of high-risk job seekers through the FBP is in keeping with Governor Granholm's goal of employing 30,000 unemployed workers by the end of 2005 through the MI Opportunity Partnership.

IX.F.3. **Streamline administration of Federal tax credit programs within the One-Stop system to maximize employer participation?**

The UIA/WOTC Unit administers the Work Opportunity Credit Programs. To streamline the administration of tax credit programs, administrators completed a feasibility study to integrate the UIA Automated Work Distribution System and the UIA/WOTC Applications Data Base and to link the system to the DHS' Client Information Management System. The study determined that integrating the systems would reduce the time needed for the UIA/WOTC staff to verify the eligibility of targeted customers and certify employers' applications for tax credits. Based on the study findings, the systems were integrated.

Additionally, the UIA-WOTC Unit is actively seeking collaboration with DHS' Information Technology staff in hopes of automating certification of welfare and food stamps target groups. An implementation of early next fiscal year is anticipated.

IX.G. ***Innovative Service Delivery Strategies***

IX.G.1. **Describe innovative service delivery strategies the State has or is planning to undertake to maximize resources, increase service levels, improve service quality, achieve better integration or meet other key State goals. Include in the description the initiative's general design, anticipated outcomes, partners involved and funds leveraged (e.g., Title I formula, statewide reserve, employer contributions, education funds, non-WIA State funds).**

The following outlines service delivery strategies that the state has undertaken:

- 21st Century Workforce Initiative

  The overarching goal of the initiative is to develop coordinated regional planning to help Michigan regions build stronger regional economies. The successful coordination of workforce development, economic development, and community development strategies will help transform our state into a 21st century global economy. Stakeholders in 13 regions, which includes the state's 3 WIRED areas, have been convened to address immediate workforce needs, such as adoption of a lay-off aversion strategy, supporting community-led efforts to address plant closings and lay-offs through linking economic and workforce development, and creating regional workforce development teams to implement these strategies and make successful transitions to new markets, new jobs, and new work skills. Partners include workforce board chairs and executive directors, community college and public university presidents, K-12 superintendents, economic and community development leadership, culture

and arts organizations, early childhood education resource groups, multipurpose collaborative bodies, and other community-based organizations. Funding for this initiative includes WIA state funds, federal WIRED funds, education funds, and private funding.

- MiRSAs

  Employer-lead partnerships that address workforce needs in a specific region and industry sector. During Program Year 2004, 13 MiRSAs were funded with a combination of WIA statewide activity funds, C.S. Mott Foundation, and local funding to increase training program graduates, develop career ladders, expand career focus in K-12, and increase soft skills training. During Program Year 2005 and 2006, funds were provided to 18 new or expanding MiRSAs, bringing the current total to 31. In addition to the local partnership, partners at the state level are Charles Stewart Mott Foundation, W.E. Upjohn Institute, MWAs, Michigan State Building and Construction Trades Council, DLEG/BWP, MEDC, MRS, Labor Market and Strategic Initiatives, Career and Technical Preparation, and Marketing and Communications. The MiRSA industry sectors are health care, manufacturing, construction, utilities, hospitality/tourism, chemical/homeland security, and forestry and timber. Related MiRSAs will be brought together for "learning labs" to share information and best practices. During 2005 and 2006, a number of learning institutes were held and were well received by the participants.

- MI Opportunities Partnership

  An initiative to address the need to assist unemployed workers to get jobs and to assist employers to fill vacancies. DLEG has lead responsibility and has established a workgroup including staff from MEDC, Department of Information Technology, DHS, Department of Community Health, Department of Education, Department of Treasury, Department of Management and Budget, Michigan Works! Association, Public Policy Associates, Corporation for a Skilled Workforce, Governor's Office, Career Alliance, Inc, SEMCA Michigan Works!, South Central Michigan Works!, Detroit Workforce Development Department, Livingston County Michigan Works!, Central Area Michigan Works!, and Capital Area Michigan Works!. In addition, the following DLEG units are involved: Executive Office, BWP, Career and Technical Preparation, UIA, Vocational Rehabilitation, and the Commission for the Blind. The goals are to place 40,000 unemployed citizens in the next year and to contact 35,000 employers this year. During the employer contacts, job vacancies will be identified and employers will be offered assistance provided by the workforce system. Another goal is to accelerate training for jobs in healthcare and skilled trades by conducting pilots through the MiRSAs and through the use of Medicaid Disproportionate Share funds to support training. Currently, workgroups are meeting to determine action plans and contributions from partners. WIA Statewide Activity funds are used, along with current staff resources, to support this initiative.

- Workforce Action Network (WAN)

  Provide recommendations to redesign the welfare reform program and focus on providing economic opportunity and financial independence for participants. The WAN has identified new approaches to address the needs of low-income families and the economic development needs of Michigan. A specific action plan to address WAN recommendations was developed. These recommendations include: permanent labor force attachment by participants that is driven by the state's current and emerging economic and workforce development needs; better targeting of resources; more access to skill training and post-secondary education; creation of administrative efficiencies through co-location, strengthening of collaboration and coordination with other agencies and community resources; and implementation of pilot programs to test innovative strategies.

  The action network includes: DHS, DLEG agencies (BWP, MRS, Career and Technical Education, State Housing Development Authority, Commission on Spanish Speaking Affairs, DLEG Executive Office, Michigan Commission for the Blind,), DCH, MWAs, Center for Civil Justice, Goodwill Industries, Charles Stewart Mott Foundation, Paraprofessional Healthcare Institute, W.E. Upjohn Institute, Michigan League for Human Services, Detroit Regional Chamber, Michigan Retailers Association, Cascade Engineering, The Source, and the University of Michigan School of Social Work. The directors of DLEG and DHS will review all recommendations produced by the WAN prior to implementation. WAN recommendations are fully aligned with the Governor's Seven Point Plan for Economic Growth, the DLEG Strategic Plan, and the DHS Strategic Plan. Funding for this network includes WIA and Non-WIA state funds.

- Value Added Performance Improvement System (VAPIS)

  VAPIS is an evidence-based system that allows adjustments to the performance of the state and local workforce programs to account for factors outside the control of local administrators and offers tools to help local administrators improve their value added to customers. It is anticipated that utilizing the VAPIS will result in the following outcomes:

  a. Enhanced accountability,

  b. Promotion of program management and planning,

  c. Improved program performance,

  d. Promotion of greater customer satisfaction,

  e. Reduction in the incentive for "creaming,"

  f. Encouragement of local administrators to focus on what works best for the customer,

g. Better and more current information when negotiating performance measures, and

h. Consistent framework for understanding and conveying what factors affect performance.

Currently, with the assistance of project partners Corporation for a Skilled Workforce and W.E. Upjohn Institute for Employment Research, the state is proceeding with the implementation of VAPIS, including the development of an information system, training local staff and recruiting other states to join and support the effort. Furthermore, the state will proceed with plans to develop additional tools using evidence-based techniques to help front-line staff assist customers more effectively and improve overall performance. Funding for this initiative is provided through a USDOL grant.

IX.G.2. **If your State is participating in the ETA Personal Re-employment Account demonstration, describe your vision for integrating PRAs as a service delivery alternative as part of the State's overall strategy for workforce investment.**

Michigan is not participating in the Personal Re-employment Account (PRA) demonstration project. However, the state was selected to participate in the Career Advancement Account (CAA) initiative. Michigan will utilize CAA funding to provide incumbent worker and dislocated worker training programs for autoworkers and supplier staff who have been impacted by the massive restructuring within the automotive industry. This will include those workers in the surrounding communities who have also had their employment affected by this industry. Michigan has determined that incumbent worker training, in coordination with dislocated worker services, provided to those who left or retired from this industry, through the acceptance of a buyout, without funding for retraining and those employed by adversely affected suppliers and in adversely affected communities, are the most efficient and effective avenues to provide those individuals not already receiving benefits through the WIA or TAA programs, the support to avert their own layoff and provide the best opportunity for job placement and security.

IX.H. **Strategies for Faith-based and Community Organizations. Reaching those most in need is a fundamental element of the demand-driven systems goal to increase the pipeline of needed workers while meeting the training and employment needs of those most at risk. Faith-based and community organizations provide unique opportunities for the workforce investment system to access this pool of workers and meet the needs of business and industry.**

Describe those activities to be undertaken to: (1) increase the opportunities for participation of faith-based and community organizations as committed and active partners in the One-Stop delivery system; and (2) expand the

access of faith-based and community-based organizations' clients and customers to the services offered by the One-Stops in the State.

Outline those action steps designed to strengthen State collaboration efforts with local workforce investment areas in conducting outreach campaigns to educate faith-based and community organizations about the attributes and objectives of the demand-driven workforce investment system. Indicate how these resources can be strategically and effectively leveraged in the State's workforce investment areas to help meet the objectives of the Workforce Investment Act.

Michigan has initiated a very aggressive strategy to engage and support the involvement of the faith-based community with government in addressing the many socioeconomic challenges that confront our state. On March 14, 2005, the Governor signed Executive Order 2005-6 establishing the Office of Community and Faith-Based Initiatives to provide pro-active leadership and support stimulating collaboration to support families and children, businesses, and communities. On March 24, 2006, the Governor convened the second annual state sponsored statewide Faith Based Conference for the purpose of promoting partnerships between faith-based organizations and government.

To support the Governor's initiative the DLEG/BWP initially convene a statewide symposium to:

- Educate the faith-based community about Michigan's Workforce Investment System; including its goals, structure, and services provided; as well as the resources and funding streams that support the system.

- Introduce the faith based community to the local WDBs for the purpose of identifying opportunities and the process through which the faith-based organizations may access funds for direct service delivery and identify other means through which they may collaborate with the WDBs to support local workforce efforts.

- Share Best Practices from around the state and the country.

To further the department's workforce strategy to promote inclusion of the faith-based community in the state's workforce system, DLEG has partnered with the USDOL, to launch the SHARE Network (http://www.michigan.gov/sharenetwork) in Michigan. The website, which features a Resource Directory of services offered by faith-based and community organizations, government agencies, and other non-profit organizations, is designed to enhance access to workforce development services. The second component of this initiative - the SHARE Network Access Points (SNAPs), provides job search assistance and referral to other services, in various faith-based and community organizations throughout the state.

The DLEG, in continuation of its collaboration with the Governor's Office of Faith Based and Community Initiatives, is encouraging community organizations, churches and other service groups to join the network and post local services, such as child care, clothing, literacy assistance, mentoring, housing assistance, and a variety of other resources to help communities and build partnerships. By utilizing SNAPs, job seekers can receive assistance with resume development and access the MTB and Career Portal to search for job opportunities. Local MWA staff is teaching volunteers at community SNAPs how to access and use a variety of state resources and electronic tools so they can assist others in their communities with job search-related activities.

Through the SHARE network, customers will be able to:

- Link to service provider information including address, hours of operation, a list of services they offer, as well as a point of contact;
- Search by county, location, service, and/or by service provider;
- Create an online referral; and/or
- Print a map to the service provider.

X. State Administration

X.A. What technology infrastructure and/or management information systems does the State have in place to support the State and local workforce investment activities such as a One-Stop operating system designed to facilitate case management and service delivery across programs, a State job matching system, web-based self service tools for customers, fiscal management systems, etc.?

The state has developed the technological infrastructure for the statewide management information system that facilitates case management and service delivery across programs at the Michigan Works! Service Centers (MWSCs). The One-Stop Management Information System (OSMIS) provides a common participant data system that allows information sharing across workforce development programs including Wagner-Peyser, Adult Education, Trade Adjustment Assistance, Workforce Investment Act (WIA), and Welfare Reform. Access to a common management information system facilitates case management through the sharing of case notes across service delivery programs.

The OSMIS also includes the Michigan Talent Bank (MTB), which incorporates self-service job matching and resume/job searching in an Internet environment. Features such as Job/Talent Scouts enable both businesses and job seekers to be aware of labor market supply and demand on a continuous basis. The MTB is intended to provide an environment for labor exchange with links to job search information.

Michigan's Career Portal delivers job, career, labor market, and related resource material to businesses and citizens. The Career Portal brings together assessment, information, and access to a wealth of on-line resources in order to develop a workforce to meet the demands of Michigan's employers.

The state also maintains the Career Education Consumer Report (CECR) system. The CECR web-based format ensures the state's employers and jobseekers are afforded wide-ranging services throughout the state's One-Stop system. Automated program submission, approval, and renewal processes keep the site content accurate and up to date. The CECR is intended to be a resource for the public at large that facilitates the choice of a postsecondary education or cost, location, and duration. The CECR is an attractive, user-friendly website that marries program-specific information to other career-relevant, Michigan-focused resources including labor market information.

The state maintains a separate fiscal management system for all WIA-related activities. This system is based on accrual accounting and tracks state WIA allocations, grant action notices to local Michigan Works! Agencies (MWAs), obligations to local One-Stops, and expenditures for WIA-related activities.

X.B. **Describe the State's plan for use of the funds reserved for statewide activities under WIA 128 (a)(1).**

Funds will be used to carry out all required statewide employment and training and statewide youth activities. In addition, funds will support the following current state initiatives:

- The Council for Labor and Economic Growth (CLEG) is the WIA State Workforce Investment Board. The associated funding involved includes staff and meeting costs.

- Management Information Systems (MIS) costs are those costs associated with maintaining the state's participant reporting system.

- Detroit Monitoring contract conducts on-site compliance monitoring reviews of the fiscal and administrative requirements for the federal Employment and Training funds administered by the Department of Labor & Economic Growth, Bureau of Workforce Programs.

- Michigan Regional Skills Alliances (MiRSAs) are employer-driven, sector-based partnerships to address workforce skill needs of employers such as worker shortages, skill shortages, training mismatches, and employee recruitment and retention within a specific geographic area and industry.

- Mystery Shopper Survey that includes anonymous telephone surveys and on-site visits to each of the MWSCs to determine whether services to employers and job seekers are consistent with policies and the state's Governance and Minimum Standards.

- Benton Harbor Summer Youth program will provide assessment, mentoring, leadership development, work experience, skills development, job placement, and performance evaluation by employers to youth in the Benton Harbor area. This area experiences persistent high drop out rates and high unemployment. The youth in the program will increase workplace skills and learn the connection between education and jobs.

- Benton Harbor A Skilled Trades Enhancement Program (ASTEP). ASTEP is a sector-based initiative aimed at addressing the needs of employers in key local industries.

- Latino Workers' Assistance Program identifies the unique workforce development issues affecting legally documented Latino workers in the Detroit area, and provides Latino workers with information and insight regarding the resolution of employment related issues.

- Goodwill Industries of Greater Detroit will operate a "Moving Men and Women to Economic Independence in Michigan" pilot project. The project will incorporate the following components: intake and assessment, coaching,

work identity and soft skills development, hard skills development, academic preparation, transitional employment opportunities, job development and placement services, post-placement support and retention services, and partnerships with employers.

- The Consulting Services contract provides support for the following initiatives: MiRSAs, including learning networks, staff capacity building, and the development of various related written documents; the CLEG, including research, analysis, and policy development for its committees, staff capacity building, design, and facilitation of meetings; and the "Creating the 21st Century Workforce" Initiative, including meeting facilitation and staff capacity building.

- MI Opportunity Partnership initiative to contact more than 268,000 employers and encourage them to list job vacancies on the MTB and to place 30,000 unemployed individuals in jobs by the end of 2005, and an additional 40,000 unemployed workers with jobs by April 30, 2007, and April 30, 2008.

- Detroit Focus: HOPE-The Center for Advanced Technology (CAT) program is an incumbent worker program, run by Focus: HOPE. The CAT program is designed to provide the engineering equivalent of a "teaching hospital." Engineering students pursue their engineering education within an environment of actual production, and research and development contracts. Participants will be preparing for associate and bachelor degrees in manufacturing engineering and technology.

- The Detroit Youth Empowerment program provides summer job opportunities for the youth of Detroit. The funding will give an opportunity for youth to earn wages or stipends through one of three tracts: paid work experience, paid work-based learning activities integrated with classroom instruction, or enrollment in the E-Commerce Summer Camp operated by Wayne State University.

- In partnership with the Michigan Credit Union League (MCUL), the Career Transition Program (CTP) is a program to support credit union members in their efforts to obtain advanced training for a new vocation, trade, or occupation through the issuance of unsecured educational loans. WIA Statewide Activity funds are available for textbook reimbursement to those individuals participating in the CTP.

- The STRIVE program is an inner-city program located in Benton Harbor. STRIVE will provide attitudinal training, job development, placement services, and post-placement support.

- Career Advancement Accounts (CAA) state match will provide incumbent worker training programs for workers who are impacted by the massive restructuring within the automotive industry and those citizens in the

surrounding communities who have also had their employment affected by this industry.

- Technical Infrastructure - Implementation of the Common Measures, EMILE/WISPR required changes to the management and reporting information systems, and training for the system partners.

- Capacity Building and Professional Development provides resources for capacity building in professional and technical areas for MWA staffs and contractors. Funding will also be used for the purchase of software licenses for web-based video interviewing software.

- Displaced Homemaker Program to provide employment and training services that will increase employment, retention, and earnings. Participants are assessed, and the services tailored, to meet individual needs.

- The Michigan Legislature identified WIA Statewide Activity funding to support workforce development activities for Temporary Assistance for Needy Families (TANF) eligible participants.

During the program year, funds may be used for other allowable state activities as determined appropriate.

X.C. **Describe how any waivers or workflex authority (both existing and planned) will assist the State in developing its workforce investment system.**

The following WIA waivers will continue to assist the state in developing its workforce investment system. Subsequently, the state requests extensions of each waiver through June 30, 2009.

1. In an effort to continue quality client-customer service and evaluation of alternative Individual Training Account (ITA) service methodologies, the state seeks to extend its waiver on the time limit of initial eligibility of training providers for one local area. Included in this waiver request is approval for the local area to continue to pilot an ITA Tiered Provider System for the duration of this plan. Since its inception, the ITA Tiered Provider System has:

   a. Increased customer choice in the area of training opportunities,

   b. Built a stronger partnership base with job training institutions, and

   c. Encouraged innovative initiatives among providers to maximize workforce development service availability.

   Although this waiver has resulted in improved program performance and training services for WIA customers within the affected local area, additional time is necessary to gain appropriate customer and training provider outcomes and feedbacks. With the extension of the ITA Tiered Provider System, the

following waiver-related research, improvements, and/or expansions are planned:

a. The introduction of an agri-business alliance, which would benefit from the multiple training opportunities available on the System.

b. The continued growth of the training choices. As of December 31, 2006, the System has allowed client-customers to choose over 803 trainings that otherwise may not have been available. Approximately 620 trainings have been reauthorized under the System. Typically, only 25 percent of all trainings are reauthorized.

c. Completion of a review of ITA-waiver impacts experienced during the incidence of local plant closings.

d. Initiation of comparative analyses of contiguous Michigan Works! Regions with regard to client-customer choices and outcomes.

e. Determination of the strategic planning benefit offered via the System as a result of the Region's involvement in the Mid-Michigan Workforce Innovation in Regional Economic Development (WIRED) project.

f. Continued data collection to determine overall System impact.

State strategies and initiatives will be furthered through the continuation of this waiver by increasing participants' skills levels and, subsequently, employability.

2. The state seeks to extend its waiver that allows the utilization of a portion, up to fifty percent, of the funds reserved for Rapid Response activities as "local activity funds" to operate an Incumbent Worker Training Program as described under Section 134(a)(3)(A)(iv)(I) and consistent with 20 CRF Sections 665.210 and 665.220, at the local Workforce Development Board (WDB) level. These funds will be utilized in the same manner as statewide activities funding. Subsequently, income eligibility (including self-sufficiency) and WIA performance measures would not be applicable.

   Through its implementation, this waiver will further the state's workforce investment system and will align with the state's strategic plan goals by addressing the need for a more skilled workforce, assist in the retention of businesses, and attract entrepreneurs.

   The waiver will continue to enhance overall WIA programs and activities at the local level. Providing additional flexibility for the use of state set-aside Rapid Response funds will enable WDBs to tailor their programs to provide definitive layoff aversion strategies, meet demands of local employers, the needs of incumbent workers, job seekers, and further the state's public workforce system. The goals of this waiver extension are:

a. Increase employer exposure and use of the state's public workforce system, and

b. Improve the state's overall economic and business climate.

In addition to the realization of the waiver goals, expected additional programmatic outcomes are:

a. WDBs will be able to respond more quickly and efficiently to immediate local needs,

b. Participant's skills are upgraded, and

c. Participant's wages increase.

Through the first two quarters of the current program year, July 1, 2006, through December 31, 2006, 293 employers and 3,284 employees have participated in the state's incumbent worker program. The state anticipates continued support and implementation of this program with extension approval. Furthermore, state strategies and initiatives will be furthered through the continuation of this waiver by increasing participants' skills levels and, subsequently, continued employability.

3. The state seeks to extend its waiver allowing the redistribution of recaptured local area Adult, Dislocated Worker, and Youth funds based on a WDB's requested amount, demonstrated capacity to expend formula funds, and performance in the current and prior program years, rather than redistribution based solely on a federally mandated formula as described in the WIA Section 128(c) and 133(c) and the provisions of 20 CFR Section 667.160. Providing the state with greater flexibility in the administration of WIA funding and aligning limited workforce development resources with current demands will further the state's workforce system and will increase the rate of investment of WIA funding.

   Through its continued implementation, the waiver will ensure that federal funds will be more efficiently and effectively managed. Furthermore, maximum service provision and program performance will be enhanced by redistribution to workforce areas where the greatest potential impact may be realized.

   The goal of this waiver extension is to ensure that WIA formula funds are redistributed to those WDBs with the greatest need. In continuing to execute this waiver, the following will occur:

   a. Increased number of individuals in need of service will be served,

   b. WDBs identifying unmet needs or experiencing the sudden need for increased services in their area may have access to additional resources, and

c. The rate of investment of WIA funds will increase.

The state will determine the amounts of funding to be redistributed to WDBs based on factors such as:

a. Requested amount,

b. Demonstrated capacity to expend the formula funds, and

c. Performance in the current and prior program years.

The state seeks to continue to redistribute WIA formula funds to WDBs that have achieved not only required expenditure levels, but also established performance levels. Redistribution of funds based solely on whether a WDB achieves its expenditure level does not address a WDB's funding needs or performance outcomes.

4. The state seeks to extend its waiver that allows Central Area Michigan Works! Consortium (CAMWC) increased flexibility to design and deliver workforce services to respond effectively to the mass dislocation in their service delivery area due to the closure of Electrolux Home Products.

By statute, WIA training services must be provided by a training institution on the statewide eligible training provider list. However, many qualified training institutions are not willing to dedicate the manpower necessary to fulfill WIA data requirements.

CAMWC faces the following eligible training provider challenges as it works with the mass dislocation at Electrolux Home Products:

a. The number of appropriate training providers within a reasonable distance is insufficient to meet demand. Furthermore, the limited number of providers who are located in the area are experiencing record enrollments and are currently serving at capacity.

b. Training programs listed on the eligible training provider list are currently limited to a program provided by a single training institution. As the need for additional programs grows, training providers have engaged in discussions regarding the expansion of programs by coordinating training offerings, such as a combination of curriculum. However, if one of the institutions is not on the training list, participants are unable to receive the coordinated training.

c. There is one university within CAMWC's geographic region. Many individuals, including those who have not completed their degree, individuals who have a bachelor degree but because of declining employment opportunities need to change industry sectors, or individuals that need a few classes to upgrade their skill sets would benefit from training at the university. However, individuals are prevented from

accessing this training due to the university's decision to not provide the necessary information to appear on the eligible training provider list.

Through its continued implementation, the waiver will allow CAMWC to expend training opportunities for Electrolux participants by the:

a. Development of new training program opportunities from existing curriculum currently on the eligible training provider list, and

b. Inclusion of training providers not currently on the approved eligible training provider list.

CAMWC will continue to conduct assessments to determine which participants need training to successfully reenter the workforce. Consideration will be given to an individual's long-term goals and objectives. Training provided through this work-flex will be limited to demand occupations in the CAMWC region, as supportive by local labor market information, and will not include training above the bachelor level.

The training provided under this waiver will continue to serve participants of CAMWC. Only those current and subsequent individuals dislocated as a result of Electrolux Home Products, based in Greenville, Michigan, will be served under this waiver authority.

By extending this waiver, the state's workforce investment system will be furthered by enabling CAMWC the most strategic response possible in their continued service of Electrolux participants and in doing so address the need for a more skilled workforce.

5. When requesting the waiver for CAMWC, the state also requested, and was granted, status as a work-flex state. The state seeks to extend its Work-flex authority for the duration of this strategic plan. Continued work-flex status will allow local service delivery areas to request, and the state to approve, waivers of statutory requirements. Local areas interested in requesting that a specific requirement be waived, must submit such a request in writing to the state. All requests will continue to be consistent with Section 192 of the WIA and Section 661.410 of the WIA Final Regulations, and must clearly state the requirement to be waived, the outcomes to be achieved, and measures taken to ensure appropriate accountability. The local service delivery area must also ensure that meaningful public comment was sought from any local board affected by the request and by the general public, including business and organized labor. Requests will be handled on a case-by-case basis. The state will continue to notify the U.S. Department of Labor (USDOL) of all approved local-level waiver approvals. State level waiver requests will continue to be forwarded to the USDOL for review and approval.

X.D. **Performance Management and Accountability. Improved performance and accountability for customer-focused results are central features of WIA. To improve, States need not only systems in place to collect data and track performance, but also systems to analyze the information and modify strategies to improve performance. (See Training and Employment Guidance Letter (TEGL) 17-05, Common Measures Policy, February 17, 2005.) In this section, describe how the State measures the success of its strategies in achieving its goals, and how the State uses this data to continuously improve the system.**

X.D.1. **Describe the State's performance accountability system, including any state-system measures and the State's performance goals established with local areas. Identify the performance indicators and goals the State has established to track its progress toward meeting its strategic goals and implementing its vision for the workforce investment system. For each of the core indicators, explain how the State worked with local boards to determine the level of the performance goals.**

Include a discussion of how the levels compare with the State's previous outcomes as well as with the State-adjusted levels of performance established for other States (if available), taking into account differences in economic conditions, the characteristics of participants when they entered the program and the services to be provided. Include a description of how the levels will help the State achieve continuous improvement over the two years of the Plan. (§§112(b)(3) and 136(b)(3).)

The state uses the WIA performance accountability system established by the USDOL/Employment Training Administration (ETA) to assess the effectiveness of local areas in achieving continuous improvement of workforce investment activities in order to optimize the return on investment of WIA funds. Reports detailing performance on all 17 measures are published quarterly for all local areas. These reports allow the state and local areas to monitor performance outcomes in order to establish trends and identify measures requiring corrective action. Furthermore, performance data is available at the contractor level.

There are no state-system measures or additional state performance goals.

In order to meet the state's goal of the development of a 21st century workforce, WIA funds will be used to invest in higher education and increased skill levels for placement and retention in high paying jobs that exist today and those jobs that will be needed in the future. The state will monitor the Employment and Credential Rates and the Skill and Diploma Attainment Rates during Program Years (PYs) 2007 and 2008. These WIA performance measures will serve as indicators to track progress toward meeting the state's goal and vision for the workforce investment system.

The state will determine the level of the performance goals for all core indicators. Instructions will be issued to all local areas to provide the state with recommended performance levels for all 17 measures for both PYs 2007 and

2008. These recommended levels must be both reasonable and defendable given prior performance levels and anticipated economic developments. The state will request documentation for any performance level significantly below PY 2005 levels. The state will compile local level recommended performance levels into a statewide level. The state will request a revised state level performance goal if a significant difference exists between the compiled levels and the previously determined levels.

The state has not yet negotiated 2007 and 2008 performance guidelines. Modifications to these performance guidelines will be provided at a later date.

The following details the state's previous outcomes for each of the 17 performance measures.

1. The Adult Entered Employment Rate goal of 75 percent in PY 2004 was increased to 85 percent in PY 2006. During PY 2005 actual performance was 88.5 percent.

2. The Adult Employment Retention Rate goal of 79 percent in PY 2004 was increased to 80 percent in PY 2006. Actual performance of 81.2 percent during PY 2005 exceeded the PY 2005 negotiated performance level.

3. The Adult Average Earnings Change goal of $2,900 in PY 2004 was increased to $3,000 for PY 2005. Actual performance during PY 2005 was $4,946.

4. The Adult Employment and Credential Rate goal of 65 percent in PY 2004 was raised to 81 percent in PY 2006. Actual PY 2005 performance of 85.4 percent exceeded performance goals.

5. The Dislocated Worker Entered Employment Rate goal of 79.1 percent in PY 2004 was increased to 90 percent in PY 2006. Actual performance during PY 2005 was 94.1 percent.

6. The Dislocated Worker Employment Retention Rate goal of 85.5 percent in PY 2004 was increased to 88 percent in PY 2006. Actual performance of 88.5 percent exceeded the PY 2005 negotiated performance level.

7. The Dislocated Worker Earnings Replacement Rate level of 92.4 percent in PY 2004 was changed to the Average Earnings Change for PY 2005. Actual performance of $1,794 was above the PY 2005 negotiated performance level.

8. The Dislocated Worker Employment and Credential Rate goal of 65 percent in PY 2004 was increased to 81 percent in PY 2006. Actual PY 2005 of 88.9 percent exceeded the goal.

9. The Older Youth Entered Employment Rate goal of 73.2 percent in PY 2004 was increased to 80 percent in PY 2006. During PY 2005 actual performance was 82.8 percent.

10. The Older Youth Employment Retention Rate goal of 78 percent in PY 2004 increasing to 82 percent in PY 2006. At 85.7 percent PY 2005 actual performance exceed the negotiated performance level.

11. The Older Youth Average Earnings Change level of $2,350 in PY 2004 was increasing to $2,700 for PY 2006. Actual performance of $3,628 exceeded the PY 2005 negotiated performance level.

12. The Older Youth Credential Rate goal of 51 percent in PY 2004 was increased to 73 percent in PY 2006. Actual performance of 78.2 percent exceeded the PY 2005 negotiated performance level.

13. The Younger Youth Skill Attainment Rate level of 83 percent in PY 2004 was increased to 92 percent in PY 2006. Actual performance of 98.0 percent exceeded the PY 2005 negotiated performance level.

14. The Younger Youth Diploma or Equivalent Attainment Rate goal of 55 percent in PY 2004 was increased to 79 percent in PY 2006. Actual performance of 88.9 percent exceeded the PY 2005 negotiated performance level.

15. The Younger Youth Retention Rate level of 58 percent in PY 2004 was increased to 72 percent in PY 2006. Actual performance of 78.1 percent exceeded the PY 2005 negotiated performance level.

16. The Customer Satisfaction levels of 74 in PY 2004 increasing to 90 in PY 2006 for participants and 73 in PY 2004 increasing to 85 in PY 2006 for employers reflect the high quality of services provided by Michigan One-Stop Centers. Actual performance at 90 for participants and 84 for employers exceeded the PY 2005 negotiated performance level.

X.D.2. **Describe any targeted applicant groups under WIA Title I, the Wagner-Peyser Act or Title 38 Chapters 41 and 42 (Veterans Employment and Training Programs) that the State tracks.**

The state tracks participants who receive training or services as part of a MiRSA's activity.

The state tracks employers contacted as part of the state's Michigan Opportunity Partnership. Included in this tracking are jobs opened, jobs pledged, and jobs filled. The jobs are broken down by industry and occupation. The system also identified those employers that have been targeted as being industries with high growth potential.

The state will also track individuals that are participating in the CAA initiative.

X.D.3. **Identify any performance outcomes or measures in addition to those prescribed by WIA and what process is the State using to track and report them?**

The state does not have any performance outcomes or measures in addition to those prescribed by the WIA.

X.D.4. **Describe the State's common data system and reporting processes in place to track progress. Describe what data will be collected from the various One-Stop partners (beyond that required by DOL), use of quarterly wage records (including how your State accesses wage records), and how the statewide system will have access to the information needed to continuously improve.**

All local areas use a common participant data system to enter eligibility, demographic, services received, exit, outcome, follow-up, customer satisfaction, and case notes information on workforce development programs (including WIA, Work First, Food Assistance Employment and Training, TAA, Adult Education, Displaced Homemakers, Employment Services, and Incumbent Worker) in the state. Program reports are published on a monthly or quarterly basis in order to track progress towards meeting plan goals. One-Stop partners will not be required to collect any additional information beyond that required by USDOL. The statewide system will have access to outcome information including wage record information that will allow all One-Stop partners to measure performance and develop processes that will be required to ensure continuous improvement.

X.D.5. **Describe any actions the Governor and State Board will take to ensure collaboration with key partners and continuous improvement of the statewide workforce investment system.**

With the establishment of the CLEG, the Governor has gone beyond the federal requirements for state Workforce Investment Board membership. The CLEG encompasses the collective efforts of business, state departments, local workforce boards, local elected officials, K-12, two- and four-year institutions of higher education, organized labor, community-based organizations, economic development agencies, and other workforce partners. This diverse representation touches every aspect of workforce investment, and ensures integration of service delivery by engaging other state departments and key partners and stakeholders. It also provides the opportunity for key workforce investment partners to collaborate and coordinate to ensure the state workforce investment system reflects true integration (i.e. coordinated and non-duplicative programs and activities).

CLEG has developed guiding values to ensure alignment and collaboration of programs and resources across Michigan. SOLUTIONS for Michigan's 21st Century Workforce (Attachment D), is a common agenda for meeting Michigan's workforce needs. The Governor formally endorsed SOLUTIONS as part of the overall strategy to reshape and advance Michigan's workforce. The guiding values offered by SOLUTIONS serve as critical factors toward making certain

that Michigan's workforce is meeting the job needs of today and tomorrow. SOLUTIONS highlights many of these key factors, such as: creating new businesses and industries, providing a business friendly climate, transforming our educational and training systems, and developing a statewide culture that includes people of all types and abilities. Organizations that endorse SOLUTIONS will be asked to collaborate to make certain that their programs and services are reflective of the values articulated in SOLUTIONS.

The CLEG also ensures continuous improvement of the workforce investment system through the review of the Customer Satisfaction Surveys. Required Customer Satisfaction Survey questions are integrated into the OSMIS. Reports with the findings are distributed on a quarterly basis to all MWAs for use in evaluating MWSC performance.

In addition, continuous improvement of the statewide workforce investment system is ensured through state policy. The continuous improvement of services to both employers and job seekers is crucial to Michigan's workforce productivity and competitiveness. As previously discussed, MWSCs must adhere to criteria listed in Certification Criteria for MWSCs to be certified. This policy requires MWSCs to use the data generated through state developed systems of measuring customers satisfaction, such as the Mystery Shopper, for the purposes of monitoring customers satisfaction levels and implementing service improvements for employers and job seekers.

Collaboration of system partners is also addressed in the certification policy. Integrated service delivery is a key component of a demand-driven workforce investment system, with true integration going beyond collocation of system partners. Service integration ensures that program and community resources are utilized effectively to create human capital solutions for businesses, industry, and individual customers. MWSCs must allocate resources for system operation that go beyond program funding. Local delivery systems must address the contributions of appropriate staff positions to an integrated service delivery system by required programs and other locally determined partners, and also buildings, equipment, and other assets to the larger picture of integrated programming.

X.D.6. **How do the State and local boards evaluate performance? What corrective actions (including sanctions and technical assistance) will the State take if performance falls short of expectations? How will the State and Local Boards use the review process to reinforce the strategic direction of the system?**

The state and local boards will evaluate performance on an ongoing basis. The state will make available performance reports that will permit monthly and quarterly evaluation of local performance. These reports will be available at the contractor level. The ability to review performance at the contractor level will allow the local boards to reinforce the strategic direction of the system. Should performance at the local level fall below expectations, the state will take corrective action.

Any local area that fails to meet at least one performance indicator may request technical assistance for those performance indicators that were not met. Failure to meet local performance measures is defined as a negative overall score for the total of all performance indicators within each program activity or achieving less than 80 percent of the planned performance level for any performance measure.

If such failure continues for the same performance measure for a second consecutive year for a local area, the state shall take corrective actions. The local area's circumstances will be reviewed on an individual basis, taking into consideration the nature of the problem and the technical assistance activities undertaken to correct the problem during the prior program year. Based on this review, a corrective action plan including a timetable will be developed. The corrective action may include the development of a reorganization plan through which the state may:

1. Require the appointment and certification of a new local board (consistent with criteria established under the WIA),
2. Prohibit the use of eligible providers and One-Stop partners identified as achieving a poor level of performance, or
3. Take such other actions as the state determines are appropriate.

X.D.7. **What steps has the State taken to prepare for implementation of new reporting requirements against the common performance measures as described in Training and Employment Guidance Letter (TEGL), 15-03, December 10, 2003, Common Measures Policy. In addition, what is the State's plan for gathering baseline data and establishing performance targets for the common measures?**

The state has trained state and local partners on the new reporting requirements required by the common performance measures. The One-Stop statewide MIS captures all data items needed to meet reporting requirements for common measures and the revised WIASRD. The state has modified the current management information system to capture baseline data for the new common measures beginning July 1, 2006. The data will be used to establish performance targets for the new common measures beginning in PY 2007.

X.D.8. **Include a proposed level for each performance measure for each of the two program years covered by the Plan. While the plan is under review, the State will negotiate with the respective ETA Regional Administrator to set the appropriate levels for the next two years. At a minimum, States must identify the performance indicators required under section 136, and, for each indicator, the State must develop an objective and quantifiable performance goal for two program years. States are encouraged to address how the performance goals for local workforce investment areas and training provides will help them attain their statewide performance goals.**

The table "Proposed Performance Levels for the State of Michigan for Program Year 2007 and 2008" provides proposed levels of performance for each of the applicable performance measures for PY 2007 and PY 2008. The proposed performance levels for WIA programs were based on the average performance level for the last four years, the performance trend observed from PY 2003 through the third quarter of PY 2006, the GPRA performance goals for PY 2007 and PY 2008, the national average performance for PY 2005, and the current (PY 2006) performance goals. The levels for PY 2007 and PY 2008 reflect increases over the current PY 2006 goals. The proposed Wagner-Peyser performance goals were based on the average performance level. Beginning in PY 2006, the common measures definition of performance replaced the exiting definition of employment and retention. This change in the method of computing performance resulted in substantial reductions in actual performance levels.

The proposed levels reflect continuous improvement in state performance given our troubled economic climate. Increased levels of employment, retention, and earnings should positively impact customer satisfaction and ensure optimal return on the investment of Federal funds.

Proposed Performance Levels for the State of Michigan for Program Year 2007 and 2008

Performance Measures	Actual Performance				Average	GPRA		National	Performance Goals		
	PY 2003	PY 2004	PY 2005	PY 2006 3rd Qtr	Performance Level	Performance Goals PY 2007	PY 2008	Average PY 2005	Current PY 2006	Actual PY 2007	PY 2008
Workforce Investment Act											
Adult Activities:											
Entered Employment Rate	86.7%	87.4%	88.5%	85.4%	87.0%	76.0%	78.0%	77.0%	85.0%	87.0%	88.0%
Employment Retention Rate	N.A.	N.A.	81.2%	83.2%	82.2%	83.0%	84.0%	83.0%	80.0%	84.0%	85.0%
Average Earnings	$9,617	$9,388	$9,651	$10,543	$9,800	$11,100	$11,200	$11,208	$9,601	$10,000	$10,200
Employment and Credential Rate	80.6%	83.2%	85.4%	83.5%	83.2%	None	None	68.0%	81.0%	82.0%	83.0%
Dislocated Worker:											
Entered Employment Rate	89.1%	92.7%	94.1%	93.3%	92.3%	84.0%	84.0%	83.0%	90.0%	93.0%	94.0%
Employment Retention Rate	N.A.	N.A.	88.5%	91.2%	89.9%	90.0%	90.0%	88.0%	88.0%	90.0%	92.0%
Average Earnings	$12,674	$12,336	$12,914	$12,747	$12,668	$13,900	$14,000	$14,150	$12,849	$13,000	$13,200
Employment and Credential Rate	82.7%	86.8%	88.9%	88.6%	86.8%	None	None	68.0%	81.0%	82.0%	83.0%
Older Youth (19-21)											
Entered Employment Rate	80.1%	77.7%	82.8%	81.3%	80.5%	None	None	76.0%	80.0%	82.0%	83.0%
Employment Retention Rate	80.7%	83.5%	85.7%	83.5%	83.4%	None	None	83.0%	82.0%	84.0%	85.0%
Average Earnings Change	$2,311	$3,221	$3,628	$2,852	$3,003	None	None	$3,769	$2,700	$3,200	$3,500
Credential Rate	73.5%	71.3%	78.2%	75.4%	74.6%	None	None	53.0%	73.0%	78.0%	79.0%
Younger Youth (14-18)											
Skill Attainment Rate	90.1%	90.7%	98.0%	93.7%	93.1%	None	None	84.0%	92.0%	94.0%	95.0%
Diploma Attainment Rate	77.8%	84.2%	88.9%	89.3%	85.1%	None	None	65.0%	79.0%	88.0%	89.0%
Retention Rate	73.6%	73.7%	78.1%	78.3%	75.9%	None	None	69.0%	72.0%	78.0%	79.0%
Customer Satisfaction:											
Participant	89.9	91.5	91.4	92.0	91.2	None	None	80.0	90.0	91.0	91.0
Employer	83.4	85.7	86.0	83.7	84.7	None	None	75.0	85.0	86.0	86.0
Wager-Peyser	PY 2005 4th Qtr	PY 2006 1st Qtr	PY 2006 2nd Qtr	PY 2006 3rd Qtr							
Entered Employment Rate	37.4%	43.2%	47.7%	50.5%	44.7%	65.0%	65.0%	63.0%	61.0%	55.0%	61.0%
Employment Retention Rate	44.5%	75.5%	73.0%	73.8%	66.7%	82.0%	82.0%	80.0%	80.0%	78.0%	82.0%
Average Earnings	$12,034	$12,272	$12,512	$12,226	$12,261	$10,750	$11,000	N.A.	$10,445	$12,300	$12,500

X.E. ***Administrative Provisions***

X.E.1. **Provide a description of the appeals process referred to in 116(a)(5).**

If a local unit of government or grant recipient requests, but is not granted designation as a local workforce investment area, the state would utilize the appeals process in accordance with Section 116(a)(5).

X.E.2. **Describe the steps taken by the State to ensure compliance with the non-discrimination requirements outlined in Section 188.**

In accordance with Section 188 of the WIA, and its implementing regulations at 29 CFR Part 37, the state has developed and implemented a Methods of Administration (MOA) that addresses the policy, practices, and procedures that have been put in place to ensure nondiscrimination and equal opportunity (EO) in programs and activities that operate as part of the state's workforce investment and One-Stop delivery system. Consistent with the commitments made in the MOA, the state has:

1. Designated an EO Officer who (pursuant to 29 CFR 37.23 through 37.25) is responsible for ensuring that workforce programs operated by the state comply with the EO and nondiscrimination obligations imposed on recipients of federal financial assistance.

2. Developed and issued policy guidance that establishes the framework and compliance standards by which the state and its recipients will meet EO regulatory and state policy requirements; established a comprehensive notice and communications system that makes registrants, applicants, applicants for employment, employees, and the general public aware of the commitment of recipients, at all levels, to operate programs and activities in a nondiscriminatory manner; and that provides initial and continuing notification of the rights extended to members of these groups to file complaints of discrimination.

3. Provided on-going training, technical assistance and consultation services to local WIA EO Officers and other recipients regarding MOA requirements, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, as amended, the Americans with Disabilities Act, and other applicable laws and regulations related to nondiscrimination and equality of opportunity in state and federal programs.

The state has also initiated efforts to strengthen the capacity of recipients to provide programmatic and architectural accessibility and has forged strategic public, private, and community partnerships directed at ensuring universal access and promoting the meaningful participation of both sexes, members of various

racial/ethnic/age groups, individuals with disabilities and persons with limited English proficiency (LEP) in state workforce programs.

As part of the state's commitment to continuous improvement, measures have also been initiated to:

1. Restructure the protocols and processes relied on to monitor both internal and external compliance with nondiscrimination/EO requirements.

2. Redefine and expand methods utilized to capture and assess EO statistical and performance outcomes.

3. Heighten disability awareness/sensitivity and enhance, throughout the workforce system, management staff and employee knowledge of EO issues, cultural diversity, discriminatory harassment, universal access, and LEP services strategies.

Through the formation of interagency workgroups and close association with a large network of policy making and advocacy organizations (which including the Michigan Commission on Disability Concerns, Michigan Rehabilitation Services, the Michigan Commission for the Blind, the Michigan Works! Association, and management representatives from local workforce investment areas across the state), Michigan is working collaboratively to create an inclusive workforce investment system that is welcoming, inviting, accommodating, and accessible to everyone in fulfillment of the mandate expressed in Section 188 of the WIA.

XI. Assurances

1. The state assures that it will establish, in accordance with Section 184 of the Workforce Investment Act (WIA), fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the state through the allotments made under Sections 127 and 132. (§112(b)(11).)

2. The state assures that it will comply with section 184(a)(6), which requires the Governor to, every two years, certify to the Secretary, that:

   a. The state has implemented the uniform administrative requirements referred to in Section 184(a)(3);

   b. The state has annually monitored local areas to ensure compliance with the uniform administrative requirements as required under Section 184(a)(4), and

   c. The state has taken appropriate action to secure compliance with Section 184 (a)(3) pursuant to Section 184(a)(5) (§184(a)(6)).

3. The state assures that the adult and youth funds received under the WIA will be distributed equitably throughout the state, and that no local areas will suffer significant shifts in funding from year to year during the period covered by this Plan (§112(b)(12)(B)).

4. The state assures that veterans will be afforded employment and training activities authorized in section 134 of the WIA, and the activities authorized in Chapters 41 and 42 of Title 38 US code. The state assures that it will comply with the veterans' priority established in the Jobs for Veterans Act (38 USC 4215).

5. The state assures that the Governor shall, once every two years, certify one local board for each local area in the state (§117(c)(2)).

6. The state assures that it will comply with the confidentiality requirements of Section 136(f)(3).

7. The state assures that no funds received under the WIA will be used to assist, promote, or deter union organizing (§181(b)(7)).

8. The state assures that it will comply with the nondiscrimination provisions of Section 188, including an assurance that a Methods of Administration has been developed and implemented (§188).

9. The state assures that it will collect and maintain data necessary to show compliance with the nondiscrimination provisions of Section 188 (§185).

10. The state assures that it will comply with the grant procedures prescribed by the Secretary (pursuant to the authority at section 189(c) of the Act), which are necessary to enter into grant agreements for the allocation and payment of funds under the Act. The procedures and agreements will be provided to the State by the ETA Office of Grants and Contract Management and will specify the required terms and conditions and assurances and certifications, including, but not limited to, the following:

    General Administrative Requirements:

    -29 CFR part 97 --Uniform Administrative Requirements for State and Local Governments (as amended by the Act)
    -29 CFR part 96 (as amended by OMB Circular A-133) --Single Audit Act
    -OMB Circular A-87 --Cost Principles (as amended by the Act)

    Assurances and Certifications:

    -SF 424 B --Assurances for Non-construction Programs
    -29 CFR part 37 --Nondiscrimination and Equal Opportunity Assurance (and regulation) 29 CFR § 37.20
    -CFR part 93 --Certification Regarding Lobbying (and regulation)
    -29 CFR part 98 --Drug Free Workplace and Debarment and Suspension Certifications (and regulation)

    Special Clauses/Provisions:

    Other special assurances or provisions as may be required under Federal law or policy, including specific appropriations legislation, the WIA, or subsequent Executive or Congressional mandates.

11. The state certifies that the Wagner-Peyser Act Plan, which is part of this document, has been certified by the State Employment Security Administrator.

12. The state certifies that veterans' services provided with Wagner-Peyser Act funds will be in compliance with 38 U.S.C. Chapter 41 and 20 CFR part 1001.

13. The state certifies that Wagner-Peyser Act-funded labor exchange activities will be provided by merit-based public employees in accordance with USDOL regulations.

14. The state assures that it will comply with the MSFW significant office requirements in accordance with 20 CFR part 653.

15. The state certifies it has developed this Plan in consultation with local elected officials, local workforce boards, the business community, labor organizations and other partners.

16. As a condition to the award of financial assistance from the USDOL under Title I of WIA, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:

    a. Section 188 of the WIA of 1998, which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title I--financially assisted program or activity;

    b. Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the bases of race, color and national origin;

    c. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;

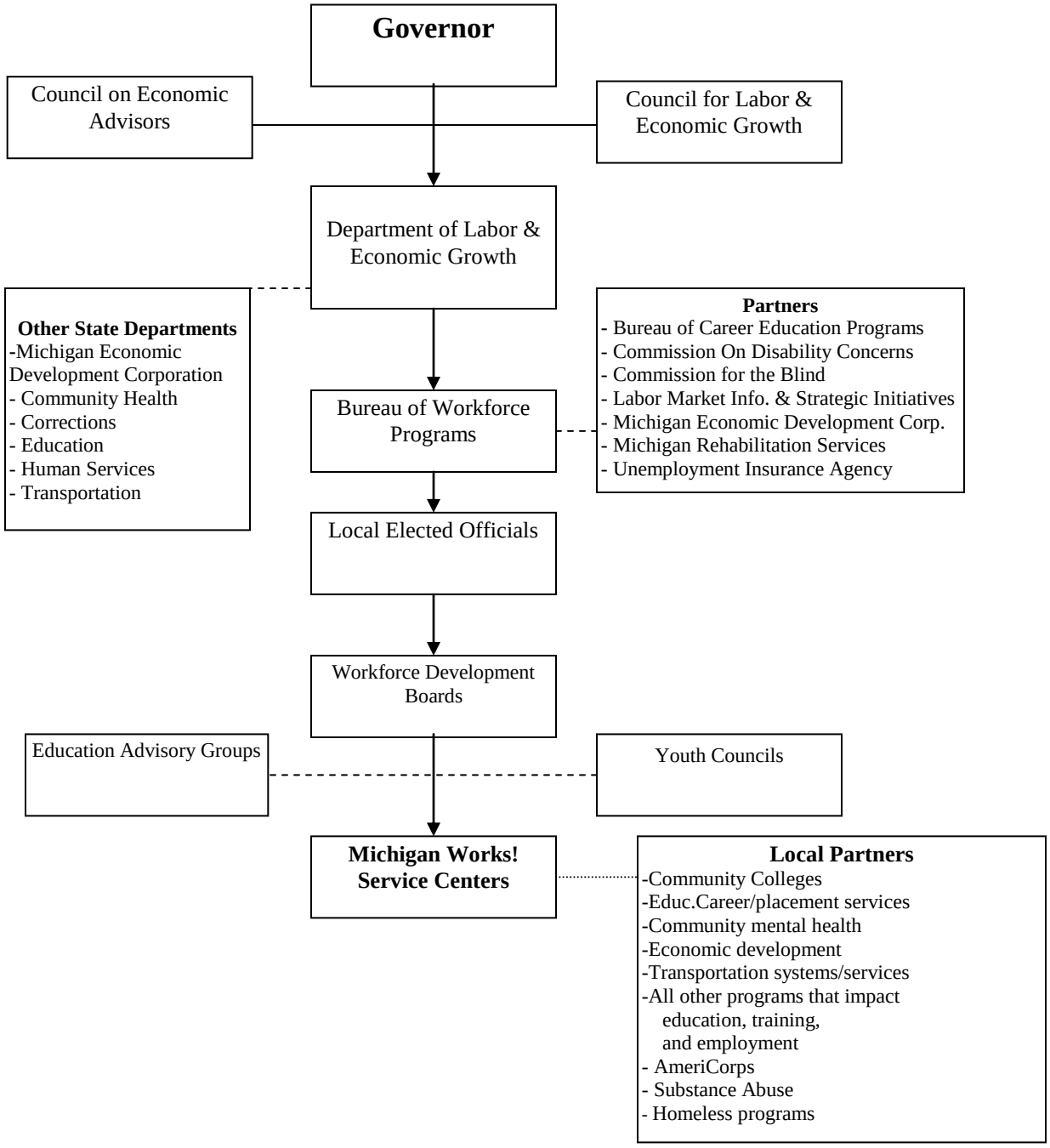
    d. The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and

    e. Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

    The grant applicant also assures that it will comply with 29 CFR part 37 and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of the WIA Title I-financially assisted program or activity, and to all agreements the grant applicant makes to carry out the WIA Title I-financially assisted program or activity. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.

17. The state assures that funds will be spent in accordance with the WIA and the Wagner-Peyser Act and their regulations, written Department of Labor Guidance implementing these laws, and all other applicable federal and state laws and regulations.

Michigan Workforce Investment System



Act No. 491
Public Acts of 2006
Approved by the Governor
December 28, 2006
Filed with the Secretary of State
December 29, 2006
EFFECTIVE DATE: December 29, 2006

STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2006

Introduced by Senators Garcia, Emerson, Birkholz, Stamas, Goschka, Cropsey, Prusi, Barcia, Thomas, Allen, Toy, McManus, Van Woerkom, Hammerstrom, Jelinek, Basham, Kuipers, Bishop, Cassis and Schauer

ENROLLED SENATE BILL No. 1288

AN ACT to establish the Michigan works one-stop service center system to deliver workforce development programs and services tailored to local needs; to provide for Michigan works areas; to provide for local workforce development boards; to provide for education advisory groups; to provide for consolidated access to employment and retention programs in one-stop service centers; and to prescribe the powers and duties of the Michigan works one-stop service center system and of certain state and local governmental officers and agencies.

The People of the State of Michigan enact:

Sec. 1. This act shall be known and may be cited as the "Michigan works one-stop service center system act".

Sec. 3. As used in this act:

(a) "Chief elected official" means a chief elected official of a unit of general local government.

(b) "Department" means the department of labor and economic growth.

(c) "Education advisory group" means an education advisory group described in section 23.

(d) "Michigan works agency" means an entity designated to be the administrator for workforce development activities in a local Michigan works area under the guidance of the local workforce development board.

(e) "Michigan works area" means a geographic area that the governor designates as a local workforce investment area under section 116 of the workforce investment act, 29 USC 2831, including an area designated and recognized under that act before the effective date of this act.

(f) "Michigan works one-stop service center" means a facility designated to provide access to services delivered under the Michigan works one-stop service center system and certified as meeting standards established by the department.

(g) "Michigan works one-stop service center system" means the integrated and coordinated system of local boards, agencies, service centers, and advisory groups described in section 5 to deliver workforce development services and implement federal and state law.
(h) "Local workforce development board" means a local workforce investment board established as provided in section 9.

(i) "Workforce investment act" means the workforce investment act of 1998, 29 USC 2801 to 2945.

Sec. 5. (1) The Michigan works one-stop service center system is created to provide an integrated and coordinated system for delivery of workforce development programs and services tailored to local needs, including, but not limited to, portions of services and programs regulated or funded under all of the following state and federal laws:

(a) Title I of the workforce investment act, Public Law 105-220.

(b) The Wagner-Peyser act, 29 USC 49 to 49c and 49d to 49*l*-2.

(c) Section 221 of the trade act of 1974, 19 USC 2271.

(d) Section 57f of the social welfare act, 1939 PA 280, MCL 400.57f.

(e) Section 6(d)(4) of the food stamp act of 1977, 7 USC 2015.

(f) Reed act transfers under 42 USC 1101 to 1110.

(2) The system consists of the local workforce development board in each Michigan works area, Michigan works agencies, Michigan works one-stop service centers, and education advisory groups.

Sec. 7. The governor shall designate Michigan works areas in the state in accordance with section 116 of the workforce investment act, 29 USC 2831.

Sec. 9. The chief elected official in each Michigan works area shall appoint and the governor shall certify a local workforce development board for that Michigan works area in accordance with section 117 of the workforce investment act, 29 USC 2832.

Sec. 11. All of the following apply to a local workforce development board:

(a) A majority of the members of a local workforce development board shall be representatives of the private sector appointed from a list of individuals nominated by local business organizations and business trade associations.

(b) A local workforce development board shall include representatives of education, the department of human services, the department of labor and economic growth, vocational rehabilitation providers, organized labor, economic development organizations, and community-based organizations. Representatives of government agencies shall be nominated by the department.

(c) Members of a local workforce development board shall be appointed for fixed and staggered terms.

(d) The chairperson of the local workforce development board shall be an individual from the private sector elected by the board.

Sec. 13. A local workforce development board shall do all of the following in cooperation with the chief elected officials in the Michigan works area:

(a) Develop and submit to the governor a plan for coordinating local workforce development services for employers and job seekers in the area. The plan shall provide for access to designated core services with no fees or charges and shall provide services beyond the core services based on eligibility criteria.

(b) Award competitive grants or contracts to eligible providers.

(c) Develop a budget.

(d) Employ staff necessary to carry out the duties of the board.

(e) Solicit and accept grants and donations.

(f) Oversee the operation of the one-stop delivery of services through the Michigan works one-stop service center system.

(g) Establish local performance standards through negotiation with the department for evaluating and improving the Michigan works one-stop service center system.

(h) Coordinate workforce development activities with other economic development activities and strategies in the Michigan works area.

(i) Promote private sector employer participation in the Michigan works one-stop service center system.

(j) Make available connecting, brokering, and coaching activities through intermediaries to help meet employer hiring needs.

(k) Appoint an education advisory group and its chair.

(*l*) Conduct business at public meetings held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and make information available to the public concerning performance of its duties or other information requested under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(m) Any other duties, functions, or responsibilities required of the board to implement the workforce investment act or state or federal law.

Sec. 15. (1) A local workforce development board and each member of the board shall avoid a conflict of interest with duties of the board. Except as provided in subsection (2), an individual shall not be appointed to or serve on a local workforce development board if he or she has an ownership interest in or is employed by an organization that receives money under the direct control of the board or if the individual engages in any other activity that creates a conflict of interest or what would appear to a reasonable person to be a conflict of interest.

(2) An individual who has an interest in or is employed by an entity that receives money under the partial or complete control of the local workforce development board may be appointed to or continue to serve on the board if the individual does not hold a policy-making position with the entity and would not receive other than a remote or incidental benefit from the board's decisions.

(3) The exception to the strict conflict of interest policy provided in subsection (2) applies to allow local workforce development board representation from entities such as a school that enrolls students with tuition paid from funds under the control of the board, a government agency from which representation is required, and an employer that accepts compensation for extraordinary costs of providing on-the-job training from funds under the board's control.

Sec. 17. The local workforce development board and local officials in each Michigan works area shall designate an entity to perform administrative functions. The entity shall be 1 of the following:

(a) A public office or agency of a local unit of government within the Michigan works area.

(b) A private nonprofit agency servicing 1 or more units of local government within the Michigan works area.

(c) A nonprofit organization exempt from tax under section 501(c)(3) of the internal revenue code, 26 USC 501.

(d) An entity organized under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, or 1967 (Ex Sess) PA 8, MCL 124.531 to 124.536.

Sec. 19. (1) An administrative entity designated under section 17 shall serve as the administrator for state and federal funding provided to the workforce development board for workforce development services and activities in the Michigan works area. Subject to subsection (2), an administrative entity designated under section 17 may engage in any activity necessary to fulfill the intent of this act, including, but not limited to, the following:

(a) Informing the state, units of local government, private agencies and organizations, and the general public of the nature and extent of the need for workforce development services for businesses and individuals within the Michigan works area.

(b) Developing and administering local workforce development programs within the Michigan works area.

(c) Conducting pilot and demonstration projects to research the effectiveness of innovative approaches to reduce unemployment, improve services, and utilize resources.

(d) Providing and advocating for training and technical assistance to public and private agencies, community groups, and local units of government to better define problems, improve services, and facilitate citizen participation.

(e) Increasing interagency coordination and cooperation in serving businesses and individuals.

(f) Entering into agreements with federal, state, and local public and private agencies and organizations if necessary to carry out the purposes of this act.

(g) Receiving and accepting grants or gifts to support or promote the activities authorized by this act.

(h) Implementing and operating Michigan works one-stop service centers.

(i) Engaging in any other activity necessary to fulfill the intent of this act.

(2) Except for incumbent worker training and business services, an administrative entity designated under section 17 shall not provide workforce development services directly to job seekers and individual trainees without the approval of the governor.

(3) The department shall establish criteria and procedures for approving all pilot or demonstration projects described in subsection (1)(c) that are funded by the department.

Sec. 21. (1) Except as provided in subsection (2), an administrative entity designated under section 17 shall provide state or federally funded workforce development services to program applicants and participants only through service providers selected by a competitive procurement process established in accordance with department policy and applicable state law.

(2) An administrative entity designated under section 17 may provide state or federally funded services directly to program applicants and participants without contracting with a service provider, if the department determines after a competitive procurement process that no other provider is capable of providing the required services within the limits of available funding and cost-to-benefit analysis.

(3) Except as otherwise provided in this section, an administrative entity designated under section 17 may enter into any agreement necessary to deliver services under this act.

Sec. 23. (1) A local workforce development board shall appoint an education advisory group to operate in the Michigan works area and serve in an advisory capacity to the board on educational issues. The board shall appoint the chairperson of that group.

(2) An education advisory group appointed under this section shall include local workforce development board members and representatives of employers, labor representatives, local school districts, postsecondary institutions, intermediate school districts, career and technical educators, public school parents, and academic educators. An education advisory group member shall be employed in the sector he or she represents.

(3) The conflict of interest provisions in section 15 do not apply to the members of an education advisory group appointed under this section.

Sec. 25. The department shall oversee and evaluate the activities of the Michigan works agencies and shall require Michigan works agencies to report information to the department to facilitate the oversight. All the reported information shall be available to the public.

This act is ordered to take immediate effect.

Secretary of the Senate
Clerk of the House of Representatives
Approved
Governor

JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

ROBERT W. SWANSON
DIRECTOR

OFFICIAL

Bureau of Workforce Programs
Policy Issuance (PI): 06-01

Date: July 11, 2006

To: Michigan Works! Agency (MWA) Directors

From: Brenda C. Njiwaji, Director, Bureau of Workforce Programs (SIGNED)

Subject: Certification Criteria for Michigan Works! Service Centers (MWSCs)

Rescissions: Michigan Works! System Governance and Minimum Standards

Programs Affected: N/A

Background: Michigan's Workforce Investment System integrates workforce development, economic development, and education in order to meet the needs of both employers and job seekers. The MWSCs comprise a comprehensive subsystem within the state's Workforce Investment System of publicly and privately funded programs and services that addresses employers' needs for skilled workers and helps jobseekers and other individuals find new jobs, retain employment, and advance their skills.

MWSCs provide one-stop access to key workforce investment programs and partners, promoting seamless service delivery to employers, students, persons with disabilities, veterans, welfare recipients, migrant and seasonal farm workers, ex-offenders, unemployed, underemployed, and employed individuals.

MWSCs are certified using a process including self-assessment, a plan narrative, and on-site reviews. Certification was previously based on the Michigan Works! System Governance and Minimum Standards adopted November 7, 2001.

Policy: **Service Center Criteria**

Effective July 11, 2006, MWSCs will be certified biennially based on the criteria outlined in this policy. This standardized biennial certification process is intended to help ensure that all MWSCs offer a consistent array of quality services.

Local Workforce Development Boards (WDB)/Local Elected Officials (LEOs) are encouraged to extend their services beyond the requirements specified in this policy to better serve their customers.

Action: MWA officials shall prepare and submit a Service Center System Narrative with a completed Michigan Works! Service Center Self- Assessment Checklist within 60 business days from the date of this policy issuance. Narratives and Checklists shall be submitted to the attention of Ms. Renita Phillips, AAU, Victor Office Center, 201 N. Washington Square, Lansing, Michigan 48913.

MWA officials will take the necessary action to comply with the requirements of this PI.

Inquiries: Questions regarding this PI should be directed to Ms. Sue Ann Searles, Workforce Specialist at 517-335-5928.

The information contained in this PI will be made available in alternative format (large type, audio tape, etc.) upon special request received by this office.

Expiration Date: December 31, 2008

BCN:SS

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Attachment A: Examples of Resources that Fulfill the Minimum Requirements for Resource Rooms
Attachment B: Michigan Works! Service Center Self-Assessment Checklist
Attachment C: Service Center Delivery System Narrative

I. Customer Services

A. Core Services

A broad range of integrated services is provided free of charge to all employers to support economic and workforce development efforts. These services must include:

- Assistance in finding qualified workers;
- Labor exchange using the Michigan Talent Bank;
- Interview facilities at Service Centers;
- Access to labor market and related information through the Michigan Career Portal website;
- State and/or federally generated information on the Americans With Disabilities Act (ADA);
- Information regarding consultations on workplace accommodations for persons with disabilities;
- Information on and referral to business start-up, retention and expansion services;
- Information on and referral to sources for developing customized training programs;
- Information on and referral to career preparation activities;
- Information on Trade Adjustment Assistance (TAA) and certification;
- Rapid response to mass layoffs and plant closings;
- Information about incentives such as on-the-job training (OJT) programs, based on worker eligibility; and
- State and/or federally generated information on tax credits for new hires.

B. Core Services for Individuals

Core services are information and resources that are available to everyone free of charge. Core services provide job seekers and other individuals with information and tools to further their job-finding efforts, including the use of electronic systems, printed, and audio-visual materials. These services consist of:

- Outreach, intake and orientation to the information and other services available through the MWSCs;

- Information about program eligibility requirements and application procedures;
- Eligibility determinations regarding Workforce Investment Act (WIA) Title I Adult or Dislocated Worker funding assistance;
- Information regarding filing claims for unemployment compensation;
- Information relating to supportive services available in the local area, including child care and transportation, and referral to such services, as appropriate;
- Referrals for all programs identified in Section II: System Program and Partners. This includes screening to determine possible eligibility for various programs and financial assistance sources.
- Referral to assistance in establishing eligibility for financial aid for training and education programs available in the local area that are not funded under the WIA;
- Oral interpretation and written translation services for persons with limited English speaking proficiency to ensure meaningful access to programs and services;
- Labor exchange using the Michigan Talent Bank;
- Job, career, and skill self-assessment tools;
- Initial assessment of skill levels, aptitudes, abilities, and supportive service needs;
- Employer directories for job search: e.g., America's Labor Market Information System resources, Internet-based directories, and commercial products;
- Resume writing software and support materials;
- The Michigan Career Portal website and other state provided systems**;**
- Local human services directories;
- Occupational training information;
- Financial aid information;
- Job search, job placement, and career counseling information, as appropriate;
- Workplace and other reasonable accommodations information;

- Regional and national labor market information, including job vacancy listings, and information on the job skills necessary to obtain the jobs described in the job vacancy listings, information relating to local high-demand occupations and the skills required and earnings potential for such occupations;

- The Career Education Consumer Report, which provides performance information and program cost information on eligible training services providers, as described in WIA Title I Section 122;

- Performance information and program cost information on providers of adult education described in WIA Title II, providers of postsecondary career and technical education activities and career and technical education activities available to school dropouts under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.), and providers of vocational rehabilitation program activities described in Title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.);

- Information regarding how the local area is performing on the local performance measures and any additional performance information regarding the local workforce investment system; and

- Follow up services, including counseling regarding the workplace, for not less than 12 months after the first day of the employment, as appropriate for customers in WIA Title I activities who are placed in unsubsidized employment.

C. Intensive Services for Jobseekers

Intensive services are available, based on program eligibility and other criteria determined locally, to targeted populations to support workforce investment efforts. These intensive services do not constitute an entitlement. As funding permits, the following customer groups will be afforded access to intensive services, based on eligibility:

- Adults, dislocated workers, and older youth (18-21 as appropriate) who are unemployed, who have been unable to obtain employment through core services, and who have been determined by a Service Center operator to be in need of more intensive services in order to obtain employment;

- Adults, dislocated workers, and older youth (18-21 as appropriate) who are employed, but who have been determined by a Service Center operator to be in need of intensive services in order to obtain or retain employment that allows for self-sufficiency;

- People with disabilities;

- Public assistance recipients;

- People who are eligible for adult education;
- Veterans;
- Ex-offenders;
- People referred from Friend of the Court (FOC); and
- Migrant and seasonal farm workers.

The following intensive services will be available, as funding permits, to customers who are included in one of the above-mentioned customer groups. Some individuals may not be eligible to receive all intensive services.

- Comprehensive and specialized assessments, which may include diagnostic testing, in-depth interviewing, and other assessment tools to evaluate skill levels and service needs and to identify employment barriers and appropriate employment goals;
- Development of an individual employment plan to identify employment goals, appropriate achievement objectives, and the necessary combination of services to facilitate achievement of the employment goals;
- Group counseling;
- Individual counseling and career planning;
- Case management for participants seeking training and career education services; and
- Short-term prevocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct to prepare individuals for unsubsidized employment or training.

D. Training and Career Education Services for Jobseekers

Training and career education services are available to targeted populations, based on program eligibility and other locally determined criteria, to support workforce investment efforts. These services do not constitute an entitlement. As funding permits, the following customer groups will be afforded access to training and career education services based on eligibility:

- Adults, dislocated workers, and older youth (18-21 as appropriate) who have met the eligibility requirements for intensive services and who are unable to obtain or retain employment through such services;

- Adults, dislocated workers, and older youth (18-21 as appropriate) who, after an interview, evaluation or assessment and case management, have been determined by a Service Center operator or Service Center partner to be in need of training and career education services and to have the skills and qualifications necessary to successfully participate in the selected training;

- Adults, dislocated workers, and older youth (18-21 as appropriate) who select training programs and career education services directly linked to employment opportunities in the local area or in another area to which the adults or dislocated workers are willing to relocate;

- Adults, dislocated workers, and older youth (18-21 as appropriate) who are unable to obtain assistance made available under grant programs such as federal Pell Grants;

- Adults, dislocated workers, and older youth (18-21 as appropriate) deemed eligible under the state's priority system, if such a system is established by the Governor;

- People with disabilities;

- Public assistance recipients;

- People who are eligible for adult education;

- Veterans;

- Ex-offenders;

- People referred from FOC; and

- Migrant and seasonal farm workers.

The following training and career education services may be available, as funding permits, to customers included in the above-mentioned customer groups. Some customers may not be eligible to receive all training and career education services.

- Occupational skills training, including training for nontraditional employment;

- On-the-job training (OJT);

- Programs that combine workplace training with related instruction, which may include cooperative education programs and apprenticeships;

- Training programs operated by the private sector;

- Skill upgrading and retraining;

- Entrepreneurial training;

- Job readiness training;

- Adult education and literacy activities; and

- Customized training conducted by an employer or group of employers with a commitment to employ an individual upon successful completion of the training.

II. System Programs and Partners

A. Access to the services from the following programs will be included in the local Service Center location or through referral.

- WIA Title I Adult, Dislocated Worker, and Youth;
- Work First;
- Food Assistance Employment and Training;
- Employment Service;
- TAA;
- Vocational Rehabilitation (Michigan Rehabilitation Services [MRS]);
- Career and Technical Education;
- WIA Title II Adult Education and Literacy and State Adult Education;
- Unemployment Insurance;
- Veterans Employment Service;
- WIA Title I funded Migrant and Seasonal Farm Workers, where available;
- Senior Community Service Employment Program;
- Vocational Rehabilitation (Michigan Commission for the Blind [MCB]);
- WIA Title I Job Corps;
- WIA Title I Veterans;
- WIA Title I Native Americans;
- Community Services Block Grant Employment and Training; and
- Housing and Urban Development Employment and Training, where available.

B. Local WDBs/LEOs are encouraged to incorporate into their local system the following services and programs, as well as others based on local conditions and available resources:

- Community college, secondary career and technical education placement services, job search classes, financial aid, and related services;
- Government procurement services;
- Community mental health programs, particularly those related to job training and placement;
- Substance abuse services;
- Economic development services;
- AmeriCorps program;
- Homeless programs;
- Transportation systems and service providers; and
- All locally funded employment and training programs.

III. Local Service Center System

Under Title I of the WIA, each Michigan Works! region must have at least one MWSC that meets the following criteria:

- Provides at least the core services identified in this document; and

- Has all of the following programs physically located at the site, if the program is funded and available in the local area. For the program to be considered physically located at the site, the services described in the following matrix must be offered.

PROGRAM	SERVICES REQUIRED AT SERVICE CENTERS			
	Provide Information on and Referral to Program	Intake/ Registration	Eligibility Determination (If applicable)	Enrollment in Program and Referral to Program Activity
PROGRAM SERVICES DELIVERED AT THE SERVICE CENTER				
WIA Title I Adult	X	X	X	X
WIA Title I Dislocated Worker	X	X	X	X
Employment Service (funded by Wagner-Peyser)	X	X	X	X
Veterans Employment Service	X	X	X	X
Vocational Rehabilitation (MRS)	X	X	X	X
Trade Adjustment Assistance (TAA)	X	X	X	X
PROGRAM SERVICES AVAILABLE THROUGH REFERRAL				
WIA Title I Youth	X			
Work First	X			
Food Assistance Employment and Training	X			
Unemployment Insurance	X			
Senior Community Service Employment Program	X			
Secondary and/or Postsecondary Career and Technical Education	X			
Vocational Rehabilitation (MCB)	X			
WIA Title II Adult Education and Literacy and State Adult Education	X			
WIA Title I Funded Migrant and Seasonal Farm Workers	X			
WIA Title I Job Corps	X			
WIA Title I Veterans	X			
WIA Title I Native Americans	X			
Community Services Block Grant Employment and Training	X			
Housing and Urban Development Employment and Training	X			

A. Service Delivery Options

The local service area must have an integrated system of customer access and awareness, including a common system telephone number, common publicity, a World Wide Web site, and other tools, as necessary, to ensure that the MWSC is highly visible and easy to locate and access.

MWSC locations must be based on convenient access for customers. It is expected that MWSCs will be located in any area with sufficient population density. Other factors to consider when planning center locations include:

- Accessibility for people with disabilities,
- Public transit routes,
- Commuting patterns for jobs,
- Conventional wisdom in the region regarding acceptable travel distance for services,
- Proximity of ancillary services,
- Parking,
- Unemployment level,
- Poverty level, and
- Cost.

There are two options available for local service center delivery system design:

- Service Center(s) Model - agencies are physically located in the same building, integrated and/or linked electronically.

- Service Center(s) and Satellite Office(s) Model - main Service Center locations(s) plus other points of entry that link with the main center.

Regardless of which service delivery model is implemented in an area, each system must adhere to the criteria outlined in this policy.

Systems incorporating satellite offices must be designed so that regardless of where the customer enters the system, he or she will not have to go to more than two locations to access all of the core services.

B. Satellite Offices

Satellite Offices deliver program services but do not satisfy all of the criteria to be certified as a MWSC. At a minimum, locations designated as satellite offices must:

- Comply with applicable federal accessibility standards.

C. Service Center Configuration

MWSC physical layout must be consumer – driven with services by function rather than by program. For example:

- Signs at the MWSC direct customers by function, not program or agency;
- A common reception area, information services, and waiting area are provided; and
- Staffs from various agencies and program areas sit together based on related functions, not agency affiliation or program funding, as practical.

It is the expectation that MWSCs not meeting this physical layout criteria will develop a plan for compliance to occur within a feasible period of time but no later that relocation or lease negotiation. Technical assistance with physical design and layout of MWSCs will be made available upon request.

MWSCs must have facilities sufficient to accommodate the following:

- Both individual and group consultations with customers,
- A common reception area,
- A self-serve resource area or "resource room",
- Space for itinerant staff, and
- Employer interview facilities.

A cafeteria, childcare facilities, clothes closet, and other special features are encouraged to support a customer friendly system.

D. Resource Rooms

Service Centers must have a self-serve resource area or "resource room" which offers the following services to our customers:

- Labor exchange tools
- Computer applications software
- Resume writing software
- Career exploration software
- Job, career, and skill self-assessment tools
- Career, job, and labor market information
- Career planning information
- Job search information
- Interviewing information
- Information on resumes, cover letters, etc.
- Information on job retention
- Directories
- Periodicals

Specific requirements include:

- Career exploration computer applications to benefit job seekers, including the CareerPortal;

- Access to the Michigan Talent Bank, as required for core services;

Specific materials are not required for the other mandated services; however, some suggestions on materials to fulfill the requirements are provided in "Attachment A". Resource room materials are to be offered in multiple formats to accommodate different learning styles. Examples include having resource materials available online and also in hard copy.

Resource rooms should be readily accessible (near front entrance) and in close proximity of the receptionist, greeter, and/or disability navigator.

To ensure that individuals can easily access needed services, MWSCs must have staff available at all times to help customers navigate the Service Center system.

E. Collocation

Collocation focuses on the physical presence of multiple key programs and partners within one convenient location promoting readily available, seamless services to employers and jobseekers. The chart on page eight depicts the required services that must to be delivered at MWSCs either at the Service Center location or through referral. WDBs/LEOs are encouraged to consider, dependent on local conditions, defining collocation of programs as having the MWSC as the sole location for the delivery of program services. The MWSC will be the publicly recognized location for customers to access services from the program. Administrative functions of the program may be at a different location.

Employment Services Funded by Wagner-Peyser

Staff that deliver Wagner-Peyser funded employment services to the universal population must be exclusively located at MWSCs and locations designated as satellite offices. Other locations require the approval of the BWP.

MRS

MRS staff must be located at each MWSC, either on a full-time or part-time basis.

F. Accessibility and Inclusion

MWSCs need to be inclusive of all customers to be effective. Inclusion honors and accommodates diversity. A universally accessible system requires meeting the diverse

customer needs that exist within the local service delivery area, which includes the needs of individuals with disabilities, people of different cultures, and persons with barriers to employment. Where inclusion abounds, centers are welcoming, inviting, accommodating, and accessible to everyone.

As recipients of federal funds, Michigan Works! Agencies (MWAs) are required to comply with various regulations relating to non-discrimination, equal opportunity, and inclusion. The most critical of these regulations are:

- Implementation of the Nondiscrimination and Equal Opportunity Provisions of the Workforce Investment Act of 1998
- Section 504 of the Rehabilitation Act of 1998, as amended;
- Titles I and II of the ADA;
- The Americans with Disabilities Act Accessibility Guidelines (ADAAG) or the Uniform Federal Accessibility Standards (UFAS)

In addition, priority will be given to assuring that throughout the system persons with physical, mental, cognitive and sensory disabilities will have programmatic and physical access to all MWSC services and activities. The commitment to adequately serving persons with disabilities extends beyond the specialized services of vocational rehabilitation.

To ensure a universally accessible and inclusive system, each local service area is encouraged to embrace the overall philosophy of Michigan's One-Stop Inclusion Workgroup Final Report.

IV. Resource Integration

Integrated service delivery is a key component of a demand-driven workforce investment system. True integration goes beyond collocation of system partners. Service integration ensures that program and community resources are utilized effectively to create human capital solutions for businesses, industry, and individual customers. MWSCs must allocate resources for system operation. However, these resources go beyond program funding. WDBs must ensure that the local delivery system also addresses:

- The contributions of appropriate staff positions by required programs and other locally determined partners to an integrated service delivery system, often requiring changes in the way work is performed.

- The contribution by required programs and other locally determined partners of buildings, equipment, and other assets to the larger picture of integrated programming.

V. Information Technology Systems

Integrated service delivery is best supported by making customer information readily accessible to all one-stop partners. Common, open, and linked systems conserve resources and help provide a common statewide identity for the MWSCs. For these reasons, each local system must incorporate the following features:

- Conduct statewide labor exchange via the Michigan Talent Bank; and
- Tracking of information through the use of the state-developed One-Stop Management Information System (OSMIS) or other state-approved centralized, integrated management information system capable of allowing shared access to participant records among service delivery programs and partners.

WDB/LEOs may also decide to implement the following on a local level:

- Use technology and automated systems to support information sharing in an integrated delivery system.
- Institute electronic transfer of program-specific data into individual program reporting systems.

VI. System Marketing

Effective marketing of the Michigan Works! brand will create awareness in the marketplace and establish expectations among Michigan Works! customers concerning the types of services provided in the MWSCs. Good marketing practices help insure MWSCs' continued success and visibility. Exceptions to the following marketing criteria must be approved by the DLEG.

A. System Identity

- Only certified service centers may incorporate the Michigan Works! Service Center name and logo as a common statewide identifier.
- The Michigan Works! Logo is black and red. "Michigan" is black and set above the larger word "Works!" The word "Works!" should be displayed in red (Pantone 200).
- The Michigan Works! name and logo must be included on forms, communications, and publicity materials, along with the equal opportunity taglines and other appropriate nondiscrimination/equal access notices.
- All telephone greetings must incorporate the Michigan Works! system identity and required state initiatives.

- Local areas must use the common, statewide toll-free telephone number, 1-800-285-WORKS, in all marketing and public relations materials. Publication of the toll-free number must be accompanied by reference to the TTY, Michigan Relay Center number or other equally effective means by which the MWSC may be reached by individuals with impaired hearing and/or speech.

- Each MWA will send publicity materials deemed as best practices to the Michigan Works! Association. This will allow for coordination of new materials and will also provide the opportunity for information sharing among the 25 workforce areas and at the state level.

B. References

Publications and websites must incorporate the phrase "Supported by the State of Michigan." Compliance must occur within 12 months from the date of this PI unless a waiver has been granted.

C. Signage

- MWSC signage must be sufficiently prominent to assure customer recognition of the location, and if possible, should be larger in size than the signage of any other programs.

- Although logo dominance is important on the sign, it is equally important not to add other logos or information that detract from the Michigan Works! identity. Additions to the sign should be current, limited, and appealing.

VII. Customer Satisfaction and Service Accountability

The continuous improvement of services to both employers and job seekers is crucial to Michigan's workforce productivity and competitiveness. Local WDBs/LEOs must address the following:

- Use the data generated through state developed systems of measuring customer satisfaction, such as the Mystery Shopper, for the purposes of monitoring customer service levels and implementing service improvements for employers and job seekers.

- To ensure integrated and effective services, each local system must use the OSMIS; a centralized, integrated management information system that permits sharing participant records among service delivery programs and partners.

- Protect customer confidentiality, as required by state and federal law and regulations, and other considerations as described in interagency agreements for information sharing.

- Each local service area must institute the state defined system of measuring performance.

VIII. Customer Relations

Certified MWSCs must present and promote a professional, businesslike, and accessible service center setting.

- Each office location must have a trained staff person: i.e., a receptionist, a greeter, and/or a disability navigator positioned at the entrance of the Service Center to direct customers upon entry and assist them in accessing various employment, workforce development, and related community services.

- Services are provided in a business-like manner and all individuals are treated with respect as a valued customer.

- A system of management and staff development must be in place that supports service integration and collocation principles, as well as informed, professional, and customer friendly service.

IX. Certification

There is a three-step process for becoming certified:

- Self-assessment,
- Completion of a Service Center Delivery System Narrative, and
- On-site review.

A. Self-Assessment

MWAs will conduct a self-assessment using the Michigan Works! Service Center Self-Assessment Checklist, Attachment B, for each MWSC. This self-assessment is meant as a reflective exercise to assist the MWA in understanding how far it may be from meeting or exceeding the criteria in this policy. A self-assessment signed by the MWA Director must accompany the Service Center Delivery System Narrative for each MWSC.

B. Service Center Delivery System Narrative

Each MWA will complete a Service Center Delivery System Narrative that describes their local delivery system using the format outlined in Attachment C.

C. On-Site Review

A site visit from designated DLEG staff will take place. This on-site review will occur after receipt of the Service Center Delivery System Narrative and corresponding self-assessment checklist. Certification is biennial that will start with the issuance of this policy. Upon receipt of the certification package, DLEG staff will

come on-site to certify that the MWSC currently and will continue to meet and exceed the certification criteria over the next year.

D. Non-Compliance

In instance of non-compliance, a corrective action letter will be sent to the MWA director outlining the criteria that is not being met. The MWA will then notify the DLEG/AAU in writing, within 30 business days of the date of the corrective action letter, the proposed corrective action and resolution date. In some instances, the recommended corrective action may include re-designating the location as a satellite or affiliated office.

E. Certification Certificate and Listing

MWSCs will be certified based on the service center requirements outlined in this policy. MWSCs that meet the requirements in this policy will be provided with an official "Certified Michigan Works! Service Center" certificate, which must be displayed in a prominent area at the service center. In addition, certified MWSCs will be listed in Distribution H of the State's Directory and Distribution List.

F. Updates to DLEG Directory and Distribution List

The department should receive written notification, within 10 business days, of service centers:

- Re-designated to satellite offices or full service MWSCs;
- Changes in contact information, such as a new telephone number; and
- Days and hours of operation.

G. Periodic On-Site Visits

In addition to the biennial certification process, DLEG staff may randomly review MWSCs when conducting equal opportunity compliance and/or other field reviews.

Examples of Resources that Fulfill the Minimum Requirements for Resource Rooms

Resource Room Service	Specific Examples Offered
Labor Exchange Tools	▪ Michigan Talent Bank Component of the CareerPortal ▪ Restricted Use Telephones for Local Employer Calls with TTY ▪ Access to Facsimile Machine ▪ Access to Photocopy Machine ▪ Access to Printers ▪ Internet Access to Other Job Hunting Sites with Specific Sites Book Marked for Customers
Computer Applications Software	▪ Word Processing Software - Microsoft Word - Corel WordPerfect ▪ Accessible Software for Persons with Disabilities
Resume Writing Software	▪ CHOICES ▪ Easy Resume ▪ Job Works ▪ Military Resume Writer ▪ Resume Maker ▪ Sample Job Applications ▪ Winway Resume
Career Exploration Software	▪ Michigan Occupational Information System (MOIS) ▪ Occupational Information Network (O*NET) ▪ Occupational Outlook Handbook ▪ CareerPortal
Job, Career, and Skill Self-Assessment Tools	▪ APTICOM ▪ Career Ability Placement Survey (CAPS) ▪ Career Exploration Inventory ▪ Career Occupational Preference Suvey (COPS) ▪ Career Pathways ▪ Discover ▪ Holland's Self-Directed Search (SDS) ▪ IDEAS Interest Test ▪ Job Search Attitude Inventory (JSAI) ▪ Leisure Work Search Inventory ▪ Mavis Typing Test and Typing Tutor ▪ Skill Stalker ▪ Substance Abuse Self-Assessment Instrument (SASSI) ▪ Skills Identification

Resource Room Service	Specific Examples Offered
Career, Job, and Labor Market Information	▪ A Tough New Labor Market ▪ America's 50 Fastest Growing Jobs ▪ Apprenticeship Information ▪ Are You Better Off Working? ▪ Atlas of the American Economy ▪ Employment Service Agency LMI Web Site (www.michlmi.org) ▪ Ferguson's Guide to Apprenticeship ▪ Michigan Outlook 2005 ▪ Occupational Outlook Handbook ▪ Peterson's Job Opportunities ▪ The Adams Jobs Almanac ▪ The Career Box ▪ U.S. Industry and Trade Outlook ▪ Work in the New Economy
Career Planning Information	▪ Change Your Job, Change Your Life ▪ Discover the Best Jobs for You ▪ Guerilla Tactics in the New Job Market ▪ How to Look for Work ▪ Job Hunting Handbook ▪ Job Search Briefs (50 Briefs by Job Shop, Inc.) ▪ The Best Jobs for the 1990's and Into the 21st Century ▪ Wishcraft ▪ What Color is Your Parachute?
Job Search Information	▪ 50 Ways to Get Hired ▪ Finding a Job on the Internet ▪ Find the Job You've Always Wanted in Half the Time with Half the Effort ▪ Getting the Job you Really Want ▪ How to Locate Jobs and Land Interviews ▪ Knock 'Em Dead ▪ The 110 Biggest Mistakes Job Hunters Make (And How to Avoid Them) ▪ The New Quick Job-Hunting Map ▪ The Job Doctor: Good Advice on Getting a Job ▪ The Very Quick Job Search Book ▪ Job Search Methods That Get Results ▪ Job Search Skills for Tough Times ▪ Paper Job Search Tools
Interviewing Information	▪ 101 Great Answers to the Toughest Interview Questions ▪ Dynamite Answers to Interview Questions ▪ How to Have a Winning Job Interview ▪ Interviewing for Success: A Practical Guide to Increasing Job Interviews, Offers, and Salaries ▪ Knock 'Em Dead (With Great Answers to Tough Interview Questions) ▪ Sweaty Palms: The Neglected Art of Being Interviewed ▪ The Quick Interview and Salary Negotiation Book ▪ Doing Mock Interviews ▪ How Do I Get Started Interviewing? ▪ Interviewing: Answering Problem Questions ▪ Interviewing: Mastering the Job Interview ▪ Succeeding in Your Interview ▪ The Seven Phases of a Job Interview ▪ Tips for Successful Interviewing

Resource Room Service	Specific Examples Offered
Information on Resumes, Cover Letters, etc.	▪ Cover Letters They Don't Forget ▪ Damn Good Resume Guide ▪ Does Your Resume Wear Blue Jeans ▪ Dynamic Cover Letters ▪ Dynamite Resumes: 101 Great Examples and Tips for Success ▪ Gallery of Best Resumes ▪ How to Write a Winning Resume ▪ The Perfect Resume ▪ The Quick Resume and Cover Letter Book ▪ Writing Resumes
Information on Job Retention	▪ Job Survival Skills ▪ Keeping Your Job ▪ Negotiate for Whatever You Want ▪ Positive Work Habits
Directories	▪ Touch-Screen Kiosk and General Information and Services Offered in the Service Center ▪ Chamber of Commerce Directories ▪ Local Human Services Directory ▪ Michigan Business Directory ▪ Michigan Manufacturers Directory ▪ Telephone Directories
Periodicals	▪ Local Newspapers ▪ Business Periodicals ▪ Crain's Detroit Business ▪ The Wall Street Journal
General Information	▪ Adult Education Information ▪ Child Day Care Information ▪ Financial Aid Information ▪ High School Equivalency (G.E.D. Testing) Information ▪ Job Training Information ▪ Local Transportation Information ▪ Medicaid Information ▪ Workplace Accommodation Information ▪ Americans With Disabilities Act (ADA) and Job Site Accommodations Information ▪ Information on ADA Consultation ▪ Information on Ergonomic Assessments ▪ Information on Retention Services for the Troubled Employee ▪ Information on Disability Sensitivity Awareness Training ▪ Information on Return to Work Services ▪ Unemployment Insurance Handbook
Assistive Technology/and Alternative Formats	▪ Braille Printers With Appropriate Braille Translation Software ▪ Closed Captioned Videotapes ▪ TTY or equally effective communication system ▪ TextHELP Read and Write ▪ Zoom Text – Screen Magnifier ▪ WiVik – Onscreen Keyboard Used in Conjunction With The Trackball ▪ Large Computer Monitor (19") Trackball, and a Switch (large button that works like the left click button on a mouse) ▪ Height Adjustable Work Stations that can be raised or lowerd to accommodate wheelchairs.

MICHIGAN WORKS! SERVICE CENTER
SELF-ASSESSMENT CHECKLIST

Michigan Works! Agency:	Contact Name:
Service Center Name:	Telephone Number:
Service Center Address:	Reviewer:
	Date of Review:

Criteria	***Compliance***	
Customer Services		
Does the Service Center offer all of the following **services** to both employers and job seekers, as required by state policy:		
Core Service for Employers?	Yes ☐	No ☐
Core Services for Individuals?	Yes ☐	No ☐
Intensive Services for Job Seekers, as funding permits?	Yes ☐	No ☐
Training and career education services, as funding permits?	Yes ☐	No ☐
System Programs and Partners		
Does the Service Center, either at the location or through referral, provide access to all programs, services, and available partners, as required by state policy?	Yes ☐	No ☐
Service Delivery Options		
Is the Service Center location convenient for customers to access, including:		
Accessibility for people with disabilities?	Yes ☐	No ☐
Public transit routes in close proximity?	Yes ☐	No ☐
Conventional wisdom in the region regarding acceptable travel distance for services?	Yes ☐	No ☐
Proximity of ancillary services?	Yes ☐	No ☐

Available parking? Yes ☐ No ☐

Service Center Configuration

Is the layout of the Service Center by services offered rather than by program? Yes ☐ No ☐

Does the Service Center have a common reception area? Yes ☐ No ☐

Does the Service Center have space to accommodate both individual and group consultation with customers? Yes ☐ No ☐

Does the Service Center have space to accommodate itinerant staff? Yes ☐ No ☐

Is space available in the facility for employer interviews? Yes ☐ No ☐

Resource Rooms

Does the Service Center have a resource room that contains the following:

Career exploration computer applications to benefit jobseekers, including the Career Portal? Yes ☐ No ☐

Access to the Michigan Talent Bank? Yes ☐ No ☐

Computer applications software? Yes ☐ No ☐

Resume writing software? Yes ☐ No ☐

Job, career, and skill self-assessment tools? Yes ☐ No ☐

Career, job, and labor market information? Yes ☐ No ☐

Career planning information? Yes ☐ No ☐

Job Search information? Yes ☐ No ☐

Interviewing information? Yes ☐ No ☐

Information on resumes, cover letters, etc.? Yes ☐ No ☐

Information on job retention? Yes ☐ No ☐

Directories? Yes ☐ No ☐

Periodicals?	Yes ☐	No ☐
Assistive technology and alternative formats?	Yes ☐	No ☐
Staff available at all times to help customers navigate the Service Center system?	Yes ☐	No ☐

Collocation

Does the Service Center have all the programs collocated and fully integrated in one facility, as required by state policy:

WIA Title I Adult?	Yes ☐	No ☐
WIA Title I Dislocated Worker?	Yes ☐	No ☐
Veterans Employment Service?	Yes ☐	No ☐
Trade Adjustment Assistance (TAA)?	Yes ☐	No ☐
Employment Services funded by Wagner-Peyser?	Yes ☐	No ☐
Michigan Rehabilitation Services?	Yes ☐	No ☐

Accessibility and Inclusion

Has the Service Center met its obligation to ensure that throughout the system persons with physical, mental, cognitive and sensory disabilities will have programmatic and physical access to all Service Center services and activities, as evidenced by EO Compliance Review?	Yes ☐	No ☐

Resource Integration

Are the following resources allocated for system operation:

Contributions of appropriate staff positions by required programs and other locally determined partners to an integrated service delivery system?	Yes ☐	No ☐
The contribution by required programs and other locally determined partners of buildings, equipment and other assets?	Yes ☐	No ☐

Information Technology Systems

Does the local system incorporate the following features:

State-wide labor exchange is conducted via the Michigan Talent Bank. Yes ☐ No ☐

The state-developed One-Stop Management System (OSMIS) or other state-approved centralized, integrated management information system is utilized for record management and the sharing of participant records amongst service delivery programs and partners. Yes ☐ No ☐

System Marketing

Does the facility have outdoor signage with the Michigan Works! name and logo ("Michigan" in black, set above the larger word, "Works!" in red) which is sufficiently prominent in size and position to assure customer recognition of the location? Yes ☐ No ☐

Is the Michigan Works! name, logo, and statewide toll-free telephone number included on various forms, communications, and all marketing and public relations materials? Yes ☐ No ☐

Does the service center staff incorporate the Michigan Works! identity and required initiatives in all telephone greetings? Yes ☐ No ☐

Do publications and websites include a reference to the State of Michigan? Yes ☐ No ☐

Customer Satisfaction and Service Accountability

Does the Service Center use the data generated through state developed systems of measuring customer satisfaction, such as the Mystery Shopper, for the purposes of monitoring customer service levels and implementing service improvements for employers and job seekers? Yes ☐ No ☐

Is customer confidentiality protected, as required by state and federal law and regulations, and other considerations as described in interagency agreements for information sharing? Yes ☐ No ☐

Has the local service area instituted the state defined system of measuring performance? Yes ☐ No ☐

Customer Relations

Does the office location have a trained staff person, i.e., a receptionist, a greeter and/or a disability navigator positioned at the entrance of the Service Center to direct customers upon entry and assist them in accessing various employment, workforce development, and related community services? Yes ☐ No ☐

Is a system of management and staff development in place that supports service integration and collocation principles, as well as informed, professional, and customer friendly service? Yes ☐ No ☐

I,_____, Michigan Works! Agency Director, certify that the Michigan Works! Service Center name above meets the requirements outlined in the Certification Criteria for Michigan Works! Service Centers Policy Issuance effective July 1, 2006.

Service Center Delivery System
Narrative

A. Michigan Works! Agency (MWA) Identification Information

Service Center Delivery System Contact Person: Identify the MWA contact person, including phone number and email address, for purposes of discussing the plan narrative.

B. Description of local Service Center Delivery system

1. Identify the locations of service centers meeting certification criteria in your area including address, phone number, and hours of operation.

2. Identify the locations meeting satellite office criteria in your area including address, phone number, and hours of operation.

3. Describe the services provided and partners represented in each service center meeting certification criteria and satellite office criteria.

4. Identify the locations not meeting certification criteria or satellite office criteria but deliver services.

5. Describe any services delivered and/or partnerships that are considered a best practice in any service center or satellite office.

SOLUTIONS for Michigan's 21st Century Workforce

SOLUTIONS **goal is to provide prosperity for all Michigan citizens through high-quality programs that achieve measurable results and practices that are evidence based. The Council for Labor & Economic Growth (CLEG) has developed guiding values to ensure alignment of programs and resources as well as collaboration across Michigan to develop a state with a thriving economy where businesses and citizens prosper in this competitive 21st Century global economy. These values drive our behavior. These values are:**

- **Innovation & Creativity - Innovation and creativity are our core.** We are not complacent nor are we satisfied with maintaining the status quo. We will create new businesses and industries through the creativity of researchers at our universities, within our businesses, and through the innovation of our citizens.

- **Diversity & Inclusion - Diversity and inclusion are essential elements in all policies and practices.** Michigan recognizes that diversity, inclusion and access are a competitive advantage and critical to success in the global economy. We embrace and celebrate our differences and are committed to developing a statewide culture that includes people of all types and abilities in its programs, plans, policies and practices.

- **Growth & Attraction - Michigan will be a magnet for growing and attracting companies so our businesses and citizens will prosper and grow**. We will provide a business friendly climate and the resources companies need to thrive and create jobs.

- **Employability & Advancement - Increasing the ability of Michigan's citizens to remain employed, advance their skills, and find new jobs through education, training, and career paths.** We will accomplish this by creating opportunities for people to advance their education, enhance their skills while working, and identify career pathways that lead to economic self-sufficiency. Reducing poverty and assisting people who are at risk are essential.

- **Education & Training - Developing Michigan's current and emerging talent is central to strategies across the state.** In a global economy, education is more essential than ever to the economic success of our citizens and our industries. The quality of our K-12 system and post secondary institutions must be second to none. This means working with our partners in the policy and education arenas to transform our education and training systems to provide the kinds of 21st Century skills necessary for all citizens – from students to incumbent workers – to survive and thrive in today's knowledge economy.

- **Business Solutions - Providing businesses with world-class *SOLUTIONS* that exceed their needs in a coordinated fashion is what we do.** This means developing leading edge policies and partnerships with employers that promote high quality training and education for the current workforce as a critical element of economic development. These should promote business investment in training in skills of the future.

The intent of these *SOLUTIONS* **is to dramatically increase the skills and knowledge of Michigan's workforce to meet the job needs of today and tomorrow.** *SOLUTIONS* **is the common agenda upon which to build shared strategies, actions, objectives and commitments by state agencies, educators, employers and other key workforce stakeholders.** *SOLUTIONS* **articulates overarching principles that all partners agree to and follow.**

Michigan Department of Career Development

Office of Workforce Development
20l N. Washington Square • Victor Office Center • 5th Floor • Lansing, Michigan 489l3 • Phone: (5l7) 335-5858 • Fax: (5l7) 335-5945

Dr. Barbara Bolin, Director

OFFICIAL

E-mailed 3/7/01 (kek)

Michigan Department of Career Development (MDCD)
Office of Workforce Development (OWD)
Policy Issuance (PI): 01-11
Index: II E 2 and II F 2

Date: March 7, 2001

To: Michigan Works! Agency (MWA) Directors

Subject: MDCD Career Education Consumer Report (CECR) Performance Standards for Subsequent Individual Training Account (ITA) Eligibility Programs

Affected: Workforce Investment Act (WIA) Adult and Dislocated Worker Training Programs Administered by the MWAs

Rescissions: None

Background: The WIA requires MDCD to establish minimum performance standards for the subsequent eligibility of training programs posted on the state's CECR system. Subsequent ITA eligibility in Michigan is determined on a rolling basis, with a program's initial eligibility period expiring one year from the date of WIA implementation (July 1, 2000) or the date upon which the program was approved by a local MWA. All applications for subsequent eligibility in Michigan will be processed through the CECR system. As with initial eligibility, training providers will enter their performance data into the system via the Internet (www.datamdcd.org) where it will then be routed to the appropriate MWA for approval or denial.

Training providers who wish to remain eligible to receive ITA funds after the initial period of eligibility must submit program-specific performance data to the CECR system for local review. All performance data submitted to the system must be verifiable and may be subject to audit by the state's contractor. In accordance with the Act, any program failing to meet these state-specified performance standards will have its ITA eligibility removed from the system and will not be eligible to receive additional WIA funding.

Definitions of the state established performance measures are included in Attachment I.

Policy:

Performance Measures for All Students

In order to be granted subsequent ITA eligibility, a training program must meet three performance measures for all students enrolled in the program, regardless of whether the individuals receive financial aid. These standards were derived from state-wide performance levels previously obtained under the Job Training Partnership Act and are as follows:

1.	**Completion Rate, All Students**	**50%**
2.	**Placement Rate, All Students**	**40%**
3.	**Wages at Placement, All Students**	**$7.50**

Performance Measures for ITA-Funded Students

NOTE: Because ITA-related data will not be made available to the State of Michigan prior to the start of the second year of WIA, training programs serving ITA students will not be held accountable for the following performance standards until the third year of the Act.

Once ITA performance data is made available, training programs must meet four additional performance standards for each of their students enrolled through the use of an ITA. The following measures were established through negotiations with the State of Michigan and the U.S. Department of Labor:

1.	**Completion and Placement Rate, ITA Students**	**70%**
2.	**Six-Month Retention Rate, ITA Students**	**75%**
3.	**Wages at Six Months, ITA Students**	**$3,100**
4.	**Certification Rate, ITA Students**	**50%**

While training programs are required to meet the above standards, the training institutions will not be responsible for gathering this data independently or including it in their applications for continuing eligibility. The State of Michigan will determine whether training programs serving ITA students meet these standards based upon wage record data collected by the MDCD Management Information System.

In the event that a program fails to meet the performance measures applicable to ITA students, the state will notify the training provider and amend the CECR

Program entry accordingly. Any ITA student enrolled in such a program prior to the renewal date will be allowed to continue with that program in accordance with his or her Individual Service Strategy; however, once subsequent eligibility has been denied, the program will no longer be eligible to enroll new ITA students.

Exceptions

Under Section 122 of the WIA, MWAs have the authority to consider local economic conditions and the economic and demographic characteristics of the students a school serves when reviewing applications for subsequent eligibility. Training providers seeking subsequent eligibility approval under these circumstances must be able to provide their local boards with supportive documentation for each program affected.

Action: Once an electronic application is received, MWAs must approve or deny the provider's request for subsequent eligibility within 20 business days. In the event that an MWA does not take action within this time frame, MDCD reserves the authority to act on the agency's behalf.

Inquiries: Questions regarding this policy should be made to your WIA state coordinator.

Expiration Date: Continuing

(SIGNED)

Vicki Enright, Director
Office of Workforce Development

VE:AM:jl
Attachment

Attachment I

Definitions for Subsequent Individual Training Account (ITA) Eligibility

1. **Completion Rate, All Students -** The number of students who complete a program during the reporting year expressed as a percentage of all students who exit the program at any time during the reporting year.

2. **Placement Rate, All Students -** The number of students who, within six months of completion, are employed, expressed as a percentage of all students who complete the program. Completers who continue their studies at a transfer institution, enter the military, or become self-employed are considered a successful placement for purposes of this measure.

3. **Wages at Placement, All Students -** The median of the starting wages (converted to $/hour) of all students who, within 180 days of successfully completing the program, obtained gainful unsubsidized employment.

4. **Completion and Placement Rate, ITA Students -** The number of students who complete the training program **and**, within six months of the date of completion, are placed in unsubsidized employment, expressed as a percentage of all ITA-funded students who enter the program.

5. **Six-Month Retention Rate, ITA Students** - The percentage of ITA students who graduate from a program and both **attain** employment within six months and retain employment six months after initial placement.

6. **Wages at Six Months, ITA Students -** The average quarterly earnings of ITA-funded students who meet the six-month employment retention criteria.

7. **Certification Rate, ITA Students** - The rates at which the ITA recipients who enter a training program earn licensure or certification, attain academic degrees or equivalents, or attain other measures of skills of the graduates of the training program.

STATE OF MICHIGAN
DEPARTMENT OF CAREER DEVELOPMENT
LANSING

JOHN ENGLER
GOVERNOR

DR. BARBARA BOLIN
DIRECTOR

OFFICIAL

E-mailed to MWAs 6/26/02 (mh)

Michigan Department of Career Development (MDCD)
Office of Workforce Development
Policy Issuance (PI): 01-11, Change 1
Index: II E 2 and II F 2

Date: June 25, 2002

To: Michigan Works! Agency (MWA) Directors

Subject: MDCD Career Education Consumer Report (CECR) Performance Standards for Subsequent Individual Training Account (ITA) Eligibility

Programs Affected: Workforce Investment Act (WIA) Adult and Dislocated Worker Training Programs Administered by the MWAs

Rescissions: None

Background: Training providers who wish to remain eligible to receive ITA funds after the initial period of eligibility must submit program-specific performance data to the CECR system for local review. "Automatic initial eligibility" no longer applies after a program's first year on the CECR. Wage and placement data must be submitted for subsequent-eligibility applications with four or more graduates in the most recent year. All performance data submitted to the system must be verifiable and may be subject to audit by the state's contractor. In accordance with the Act, any program failing to meet these state-specified performance standards will have its ITA eligibility revoked and will not be eligible to receive additional WIA funding.

Subsequent eligibility applications for programs failing to meet state-specified performance standards may be considered for eligibility at the discretion of the reviewing MWA, provided that the training provider can give sufficient reason for a program to be exempt from these standards.

Definitions of the state established performance measures are included in Attachment I.

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www.michigan.gov • (517) 335-5858

Policy: **Performance Measures for All Students**

In order to be granted subsequent ITA eligibility, a training program must meet three performance measures for all students enrolled in the program regardless of whether the individuals receive financial aid. These standards are as follows:

1. Completion Rate, All Students	**50%**
2. Placement Rate, All Students	**40%**
3. Wages at Placement, All Students	**$7.50**

Exceptions

Under Section 122 of the WIA, the MWAs have the authority to consider local economic conditions and the economic and demographic characteristics of the students a school serves when reviewing applications for subsequent eligibility. Training providers seeking subsequent eligibility approval under these circumstances must be able to provide their local boards with supportive documentation for each program affected.

In the program information presented for MWA review, a subsequent-eligibility application will either demonstrate that the program performance is at or above the state standards or will include an initial justification of below-standards performance. The MWA reviewing an application reserves the right to determine whether or not the justification given is satisfactory for approval. If the initial justification of below-standards performance is not satisfactory to the MWA, the "reason for disapproval" box may be used to send a message to the school indicating such. The message will be pasted into the body of an email sent to the school contact. An example of such an email is shown in the box below.

Figure 1

> Recently, you submitted program-specific descriptive and performance data to the Career Education Consumer Report and indicated that you would like your program entitled Medical Administrative Assistant to be Individual Training Account (ITA)-eligible. Your local Michigan Works! Agency has reviewed your submission and has disapproved your application for ITA eligibility at this time for the following reason(s):
>
> Reported performance is below State of Michigan standards and request for exemption gives insufficient justification.
>
> Please contact Public Policy Associates at (517) 485-4477 for clarification and next steps.

Local Policy on Subsequent Eligibility

The CECR and its embedded ITA-application process reflect and implement state-level policy and the WIA. Where both state policy and the WIA are silent, local reviewers must exercise discretion. In such instances, a local policy is recommended, but not required. In the review of subsequent eligibility applications, there are four occasions requiring local MWAs to exercise discretion and for which a local policy is recommended:

1. Programs that do not meet performance standards can be approved or disapproved at the discretion of the local MWA. The WIA explicitly states that each governor's subsequent-eligibility procedure must ensure that local boards consider "the specific economic, geographic, and demographic factors in the local areas in which providers seeking eligibility are located" and "the characteristics of the populations served by providers seeking eligibility, including the demonstrated difficulties in serving such populations, where applicable."

2. Programs that neither meet nor fail to meet performance standards will be quite common on the CECR. A program neither meets nor fails to meet performance standards if it lacks a documented track record—programs lasting more than one year can experience years in which no one graduates and no one drops out, and for which a completion rate cannot be calculated. Similarly, if all program graduates transfer to continuing education in a related field, there are zero graduates available for employment, and the starting wage rate is undefined. In such situations, subsequent eligibility applications will be passed to local reviewers for decision. Neither the WIA nor the state policy requires approval or disapproval.

3. Subsequent eligibility applications may be submitted for programs with three or fewer graduates without employment and wage data. The rationale for this permission is that participating schools may experience general success with their follow-up surveys and yet, on occasion, find that no surveys were returned for a given program with a low count of completers. In such circumstances, the MWA may opt to approve the program despite the absence of performance data or may opt to reject the application.

4. Program performance data that includes outcomes for fewer than 50 percent of the completers may be of questionable value. In instances where data is submitted with a "number not surveyed" constituting half (50%) or more of the annual count of program completers, the employment rate will be displayed (to both reviewers and the viewing public) as "not available." Raw counts of students in various outcome

categories (i.e., "not surveyed," "employed," "transfers") will also be presented to both reviewers and the viewing public. The reviewing MWA must decide whether or not to accept low quality data as evidence of program performance.

Initial Eligibility Note

All four conditions requiring the MWA to exercise discretion may also apply to initial-eligibility applications. For those schools that do not meet any of the Act's criteria for automatic initial eligibility, the MWA may, at its discretion, require full performance data, including completion, employment, and wage information. In such circumstances, the reduced data requirements associated with initial eligibility do not apply, and any of the above-described issues may emerge.

Performance Measures for ITA-Funded Students

In order to retain subsequent ITA eligibility, a training program must meet four performance measures for ITA-funded students enrolled in the program. These standards are as follows:

1. **Completion and Placement Rate, ITA Students 70%**
2. **Six-Month Retention Rate, ITA Students 75%**
3. **Wages at Six Months, ITA Students $3,100**
4. **Certification Rate, ITA Students 50%**

The data for these measures will be acquired by the MDCD on behalf of participating schools from the Michigan Works! Management Information System, including quarterly Unemployment Insurance wage record data and supplemental data gathered by the MWAs. Program-specific performance measures for service to ITA-funded students will be calculated by the MDCD and the results disseminated to the MWAs and affected schools.

Program-specific performance measures for service to ITA-funded students will be calculated on a semiannual basis. An 11-month time lag applies to the combined completion-and-employment statistic, while a 17-month time lag applies to the six-month statistics for employment retention and wages. Program-specific performance measures will thus be applied retrospectively for those programs that have retained ITA-eligibility status.

Additional Exception for ITA-Funded Students

Programs serving fewer than four ITA-funded students during a program year are exempt from ITA-specific program performance measures.

Action: On a semiannual basis, the MWAs will be provided with a list of programs failing ITA-specific program performance measures. The ITA-eligibility designation will be removed from these programs' profiles on the CECR unless the governing MWA wishes to retain a given program on the list. The MWAs wishing to grant an exception for a specific program or programs should notify the Public Policy Associates at (517) 485-4477.

Inquiries: In accordance with the Americans With Disabilities Act, the information contained in this PI will be made available in alternative format (large type, audio tape, etc.) upon special request to this office.

Questions regarding this policy should be made to your WIA state coordinator.

Expiration Date: Continuing

(SIGNED)

Vicki Enright, Director
Office of Workforce Development

VE:AM:mh
Attachment

Attachment I

Definitions for Subsequent Individual Training Account (ITA) Eligibility

1. **Completion Rate, All Students -** The number of students who complete a program during the reporting year, expressed as a percentage of all students who exit the program at any time during the reporting year.

2. **Placement Rate, All Students -** The number of students who, within six months of completion are employed, expressed as a percentage of all students who complete the program. Completers who continue their studies at a transfer institution, enter the military, or become self-employed are considered a successful placement for purposes of this measure.

3. **Wages at Placement, All Students -** The median of the starting wages (converted to dollars per hour) of all students who, within 180 days of successfully completing the program, obtained gainful unsubsidized employment.

4. **Completion and Employment Rate, ITA-Funded Students** – The percentage of ITA-funded students having exited the Workforce Investment Act (WIA), who completed the training program, and are placed in unsubsidized employment

5. **Six Month Employment Retention Rate, ITA-Funded Students** – Of those WIA exiters who completed the training and entered employment, the percentage that earn wages in the third quarter after exit.

6. **Average Quarterly Wages, Six Months After Exit, ITA-Funded Students** – Among those WIA exiters who earn wages in the third quarter after exit, the average wages recorded in quarterly Unemployment Insurance wage record data.

7. **Credentialing Rate, ITA-Funded Students** – Where appropriate, the rates of licensure or certification, degree attainment, or other measures of skills of the graduates of the training program, as recorded in the Michigan Works! Management Information System.

STATE OF MICHIGAN
DEPARTMENT OF CAREER DEVELOPMENT
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

DAVID C. HOLLISTER
DIRECTOR

OFFICIAL

E-mailed to MWAs 6/12/03 (mh)

Michigan Department of Career Development (MDCD)
Office of Workforce Development (OWD)
Policy Issuance (PI) No.: 03-19
Index: II E 2 and II F 2

Date: June 12, 2003

To: Michigan Works! Agency (MWA) Directors

Subject: MDCD Career Education Consumer Report (CECR) Eligible Training Provider Application and Renewal Process

Programs Affected: Workforce Investment Act (WIA) Adult and Dislocated Worker Training Programs Administered by the MWAs

Rescissions: None

References: MDCD/OWD PI 00-17, Issued March 8, 2000

MDCD/OWD PI 01-11, Issued March 7, 2001, and Subsequent Changes

Background: Training providers who wish to serve Individual Training Account (ITA)-funded students must post information about their training programs on the CECR. Program applications are added to the CECR database and forwarded to the appropriate regional MWA for review. Eligible training providers are required to self-certify that they are properly licensed to provide the training services depicted on the CECR. MWAs are currently encouraged to review providers' licensing status through MDCD supplied license listings posted on the CECR technical assistance web site.

In addition, eligible training provider applicants have occasionally failed to proofread and/or edit the information they have provided for publication and inconsistently completed the required data elements, causing additional burden to the MWA staff responsible for eligible training provider application approval.

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This PI announces a mechanism to verify licensure of eligible training providers and to edit data and information submitted for publication on the CECR by eligible training providers.

Policy: **Responsibility for Assuring Licensure**

Beginning August 1, 2003 the CECR web site will allow the state's contract administrator, Public Policy Associates, to review programs for compliance with applicable licensing laws. This review will occur prior to the program's submission to the MWA for review on factors related to ITA eligibility. The licensing review will consider all licensing laws that may apply to any given training program. Additional functionality will be developed to allow the CECR administrator to quickly take an organization and its programs off the list in the event a license is revoked or suspended.

Responsibility for Assuring Minimum Quality Standards

Using the same web site modifications, the system administrator, Public Policy Associates, will review programs for responsiveness to the required data elements, and for typographical and grammatical errors. Problems will be addressed before programs are submitted to the MWA for review on factors related to ITA eligibility. The standards applied will be designed to enforce minimum standards of quality without a significant increase in the level of effort necessary to post program information on the web site.

During the review process, the system administrator, Public Policy Associates, will communicate with applicant training providers by way of automated email. When a program is "approved" by the system administrator, the training provider will be notified that the program has passed quality review and (if the school seeks ITA eligibility) that the program has been forwarded to the regional MWA. The regional MWA will receive an email notification that a program has been submitted for review.

The MWA review process is not affected. The reviewer shall apply the initial or subsequent eligibility standards (as appropriate) and approve or disapprove the program within 20 business days. Upon approval by the MWA, ITA-eligible programs are published to www.mycareereducation.org.

Quality-control processes will be implemented as each program: (a) is added to the web site, or (b) is resubmitted for continuing eligibility.

Action: Beginning August 1, 2003, MWAs will continue the previously established process for review and approval of electronic eligible training provider applications, without verifying the licensure of eligible training providers or editing provider supplied program information or data.

Inquiries: Questions regarding this policy should be made to your WIA state coordinator.

The information contained in this PI will be made available in alternative format (large type, audio tape, etc.) upon special request received by this office.

Expiration Date: Continuing

(SIGNED)

Vicki Enright, Director
Office of Workforce Development

VE:GC:mh

ATTACHMENT F

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

ROBERT W. SWANSON
DIRECTOR

OFFICIAL

emailed to MWAs on 7/26/06 (ael)

Bureau of Workforce Programs (BWP)
Policy Issuance (PI) No: 06-03

Date: July 26, 2006

To: Directors of the Administrative Entities (AEs) of the Local Workforce Development Boards (WDBs), WDBs, and Local Grant Recipients

From: Brenda C. Njiwaji, Director, Bureau of Workforce Programs **(SIGNED)**

Subject: Grievance and Complaint Policy

Affected Programs: Workforce Investment Act (WIA), Temporary Assistance for Needy Families (TANF), Food Assistance Employment and Training (FAE&T), Reed Act, Trade Act (except requests for redeterminations), and State of Michigan General Fund/General Purpose (GF/GP) Funded Programs Administered by the Michigan Department of Labor & Economic Growth (DLEG)/BWP

Rescissions: WP PI 04-07

References: WIA, Sections 116(a)(5) and 181(c)

WIA Regulations, 20 CFR 667.600 and 20 CFR 667.645(a and b)

Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 P.L. 104-193

TANF Regulation, 45 CFR 261.70

Food Stamp Act of 1977

Background: This policy, **together with PI 06-04**, supersedes DLEG/WP PI 04-07. This policy establishes a process for grievances filed by participants, subgrantees, subcontractors, service providers (subrecipients or entities that expend awards received from a local grant recipient or AE to carry out a program or

programs), employees, one-stop partners, providers of training services, and other interested parties. **A grievance is a <u>written</u> complaint filed in accordance with this PI**. This policy also establishes a process for appeals filed by local grant recipients (entities that expend awards received directly from the DLEG/BWP to carry out a program or programs) to the DLEG/Internal Monitoring and Audit Division regarding monitoring findings, incident report findings, single audit resolution findings/issues, and other matters. The hearing procedures in this PI reflect requirements of federal law and are not contested case procedures under the Administrative Procedures Act.

Policy: I. <u>General Requirements</u>:

A. Local grant recipients are responsible for developing, maintaining, and making available to participants, subgrantees, subcontractors, service providers, employees, one-stop partners, providers of training services, and other interested parties a procedure, consistent with this PI, for grievances which involve WIA, TANF, FAE&T, Reed Act, Trade Act (except requests for redeterminations), and State of Michigan GF/GP programs administered by the DLEG/BWP. In addition, participants, subgrantees, subcontractors, employees, one-stop partners, service providers, providers of training services, and other interested parties shall sign and date documentation acknowledging receipt of and agreement to follow the procedure for grievances. The documentation shall be maintained for review.

B. Generally, all processes prescribed in this PI must be accessible to persons with disabilities or other barriers, as required by law.

Grievance procedures must be posted in areas where administration and program services are provided, and must be accessible to persons with disabilities or other barriers, as required by law.

C. A monitoring/tracking system must be maintained to document the grievances received and their disposition. The local grant recipient is responsible for maintaining these records for review for a period of three years. The retention period begins on the date of the DLEG's acceptance of the final closeout report for the grant or contract. Records shall be retained beyond three years if any litigation or audit is begun, or if a claim is instituted involving the grant or agreement covered by the records. In these instances, the records shall be retained until the litigation, audit, or claim has been finally resolved.

D. Pursuant to 29 CFR 37.35, where a significant number or proportion of limited English-speaking individuals exists, the local grant recipients are responsible for making a reasonable effort to assure that the information in this PI will be provided to and understood by those limited English speaking individuals who seek information regarding the grievance procedure.

E. The local grant recipient is responsible for making available to participants, subgrantees, subcontractors, service providers, employees, one-stop partners, providers of training services, and other interested parties an opportunity to resolve complaints informally before they become grievances.

II. Grievance Procedures:

A. Step 1: Local Level Grievance Procedures

1. All grievances related to WIA, TANF, FAE&T, Reed Act, Trade Act (except requests for redeterminations), and State of Michigan GF/GP programs funded by the DLEG/BWP are required to be filed within one year of the date of the event that gave rise to the grievance.

2. All grievances shall be in writing and contain, to the extent practicable, the following information:

a. The full name, address, and telephone number of the party/parties filing the grievance;

b. The full name and address of the party against whom the grievance is made, or other information sufficient to identify the party against whom the grievance is made;

c. A clear and concise statement of the facts, as alleged, including the pertinent dates, constituting the alleged violation;

d. The provision of the act, regulations, grant, contract, or other agreements under the act believed to have been violated; and

e. The relief requested.

3. The grievance may be rejected by the AE of the WDB if it lacks merit, if it is determined that the grievant fails to state a grievable issue or there is no relief that can be granted, or if the

grievant fails to comply with this procedure. The AE of the WDB will inform the grievant in writing of the reason(s) the grievance was rejected. The notification will be issued as soon as possible or within 60 calendar days from the date the grievance was filed and will include the opportunity to appeal to the DLEG/Internal Audit and Monitoring Division (IAMD).

4. A hearing on a local level grievance shall be conducted within 30 calendar days from the date the grievance was filed, and a decision must be rendered no later than 60 calendar days from the date the grievance was filed. A hearing is not required at this step if the grievance is resolved without one or the grievant withdraws the grievance.

   For WIA-related grievances, Section 181(c) of the WIA indicates that an opportunity for a hearing shall be provided to participants and other interested or affected parties.

   If a hearing is to be conducted, the AE of the WDB must provide written notice to the grievant and party against whom the grievance is made. The notice shall include the date, time, and place of the hearing and an opportunity for the parties to present evidence, including witnesses. The notice of the hearing shall indicate the issues to be decided. Notice shall be given not less than **ten** calendar days prior to the scheduled hearing date.

5. At a minimum, the hearing process shall include:

   a. A hearing officer.
   b. An opportunity for each party to present witnesses and evidence.
   c. An opportunity for each party to ask questions of all witnesses providing testimony at the hearing.
   d. A record of the hearing and a list of all evidentiary exhibits presented at the hearing.

   At the discretion of the hearing officer, there may be an opportunity to exchange evidentiary information prior to the hearing.

6. A written decision shall be issued by the hearing officer and shall include the following information:

   a. Date, time, and place of hearing (if held);

b. Name and address of the grievant;

c. Name and address of the party against whom the grievance is made;

d. Names and addresses of all witnesses called by the parties;

e. Information sufficient to identify all evidence presented;

f. A reiteration of the issues raised;

g. A determination of the facts;

h. An analysis of the issues as they relate to the facts; and

i. A decision addressing each issue.

7. If a response to the grievance is not received within the time prescribed, or should either party be dissatisfied with a decision, there is opportunity to an appeal to the DLEG/Internal Audit and Monitoring Division.

B. Step 2: State Level Review of a Local Level Decision

1. A local level grievance decision may be appealed, in writing, to the DLEG/Internal Audit and Monitoring Division. The appeal must be filed no later than ten calendar days from receipt of an adverse decision at Step 1, or ten calendar days from the date a decision was due but not issued at Step 1.

2. All appeals of a local level grievance decision shall be submitted to:

Mr. Allen Williams, Director
Internal Audit and Monitoring Division
Michigan Department of Labor & Economic Growth
611 West Ottawa, 4th Floor
P.O. Box 30004
Lansing, Michigan 48909

3. All appeals shall contain, to the extent practicable, the following information:

a. The full name, address, and telephone number of the party/parties filing the appeal;

b. The full name, address, and telephone number (if any) of the party/parties against whom the grievance is made;

c. A clear and concise statement of the facts, as alleged, including the pertinent dates, constituting the alleged violation;

d. The provision of the act, regulations, grant, contract, or other agreements under the act believed to have been violated; and

e. The relief requested.

4. Any appeal of USDOL monitoring findings shall only be reviewed for compliance with USDOL requirements. A record shall be created to forward to USDOL, if required.

5. An appeal may be rejected if it is determined that the appellant fails to state a grievable issue or there is no relief that can be granted, or if the appellant fails to comply with the applicable procedures described in this PI. The grievant will be informed, in writing as soon as possible or within 60 calendar days from the date the grievance was filed, of the reason the grievance was rejected.

6. A hearing may be conducted on the appeal. If a hearing is to be conducted, the appellant and the party against whom the grievance is made will be provided written notice of the date, time, and place of the scheduled hearing date and of the opportunity to present evidence, including witnesses. The notice of the hearing shall indicate the issues to be decided. Notice shall be given not less than **ten** calendar days prior to the scheduled hearing date.

   For an appeal of a WIA related local level decision, an **opportunity for** a hearing must be provided. A hearing will not be held if the WIA related appeal involves a non-grievable issue.

   In lieu of a hearing for an appeal of a WIA related local level decision, the parties to the appeal may mutually consent to the hearing officer deciding the matter based on the record created at the local level.

7. If a hearing is not to be held, the parties to the appeal will be notified within ten days of receipt of the appeal. The parties to

the appeal will be given the opportunity to submit additional relevant information and/or documentation pertaining to the appeal.

8. If a hearing on an appeal is to be held, it shall be conducted within 30 calendar days of the filing of the appeal. A hearing is not required at this step if the appellant withdraws the appeal.

9. At a minimum, the hearing process shall include:

   a. A hearing officer.
   b. An opportunity for each party to present witnesses (subpoenas are not authorized under this PI) and evidence.
   c. An opportunity for each party to ask questions of all witnesses providing testimony at the hearing.
   d. A record of the hearing and a list of all evidentiary exhibits presented at the hearing.

   At the discretion of the hearing officer, there may be an opportunity to exchange evidentiary information prior to the hearing.

10. A written decision shall be issued not later than 60 calendar days after the filing of the appeal. The decision shall include the following:

    a. Date, time, and place of hearing (if held);

    b. Name and address of the grievant;

    c. Name and address of the party against whom the grievance is made;

    d. Names and addresses of all witnesses called by the parties;

    e. Information sufficient to identify all evidence presented;

    f. A reiteration of the issues raised;

    g. A determination of the facts;

    h. An analysis of the issues as they relate to the facts; and

i. A decision addressing each issue.

11. In general, the decision is final. However, if a decision is not issued by the due date, a WIA related appeal may be reviewed by the Secretary of the U.S. Department of Labor (USDOL). A WIA related decision may be appealed by the adversely affected party to the USDOL within 60 calendar days of receipt of the DLEG/Internal Audit and Monitoring Division decision. Pursuant to 20 CFR 667.610(c), an appeal must be submitted to the Secretary of the USDOL by certified mail, return receipt requested, to:

Secretary
U.S. Department of Labor
Attention: ASET
Washington, DC 20210

A copy of the appeal must be simultaneously provided to:

Regional Administrator
Employment and Training Administration
U.S. Department of Labor
230 South Dearborn Street, Room 628
Chicago, IL 60604

And

Mr. Allen Williams, Director
Internal Audit and Monitoring Division
Michigan Department of Labor & Economic Growth
611 West Ottawa, 4th Floor
P.O. Box 30004
Lansing, Michigan 48909

III. <u>State Level Review of a Local Grant Recipient Appeal</u>

A. Local grant recipients may appeal monitoring findings, incident report findings, single audit resolution findings/issues, and other matters related to State Workforce Investment programs by filing an appeal with the DLEG/Internal Audit and Monitoring Division.

Other interested parties cannot appeal monitoring findings, incident report findings, single audit resolution findings/issues, etc. (which are issued by DLEG/IAMD) directly to DLEG/IAMD. To the extent that interested parties are affected by a DLEG/IAMD decision regarding monitoring findings, incident report findings, single audit resolution findings/issues, etc., the interested parties must first file a

grievance at the local level (see Step 1: Local Level Grievance Procedures).

B. All appeals shall be submitted to:

Mr. Allen Williams, Director
Internal Audit and Monitoring Division
Michigan Department of Labor & Economic Growth
611 West Ottawa, 4th Floor
P.O. Box 30004
Lansing, Michigan 48909

C. All appeals shall contain, to the extent practicable, the following information:

1. The full name, address, and telephone number of the party/parties filing the appeal;

2. The full name, address, and telephone number (if any) of the party/parties against whom the appeal is made;

3. A clear and concise statement of the facts, as alleged, including the pertinent dates, constituting the alleged violation;

4. The provision of the act, regulations, grant, contract, or other agreements under the act believed to have been violated; and

5. The relief requested.

D. Any appeal of USDOL monitoring findings shall only be reviewed for compliance with USDOL requirements. A record shall be created to forward to USDOL, if applicable.

E. The DLEG/Internal Audit and Monitoring Division may conduct a hearing on an appeal within 30 calendar days of the filing of the appeal. The appellant and the party against whom the appeal is made will be provided written notice of the date, time, and place of the scheduled hearing date and of the opportunity to present evidence, including witnesses. The notice of the hearing shall indicate the issues to be decided. Notice shall be given not less than ten calendar days prior to the scheduled hearing date.

For an appeal of a WIA related local level decision, an opportunity for a hearing must be provided. However, a hearing will not be held if the WIA related appeal involves a non-grievable issue.

F. If a hearing on an appeal is to be held, it shall be conducted within 30 calendar days of the filing of the appeal. A hearing is not required at this step if the appellant withdraws the appeal.

G. At a minimum, the hearing process shall include:

1. A hearing officer.
2. An opportunity for each party to present witnesses (subpoenas are not authorized under this PI) and evidence.
3. An opportunity for each party to ask questions of all witnesses providing testimony at the hearing.
4. A record of the hearing and a list of all evidentiary exhibits presented at the hearing.

At the discretion of the hearing officer, there may be an opportunity to exchange evidentiary information prior to the hearing.

H. A written decision shall be issued not later than 60 calendar days after the filing of the appeal. The decision shall include the following:

1. Date, time, and place of hearing;

2. Name and address of the appellant;

3. Name and address of the party against whom the appeal is made;

4. Names and addresses of all witnesses called by the parties;

5. Information sufficient to identify all evidence presented;

6. A reiteration of the issues raised;

7. A determination of the facts;

8. An analysis of the issues as they relate to the facts; and

9. A decision addressing each issue.

I. In general, the decision is final. However, if a decision is not issued by the due date, a WIA related appeal may be reviewed by the Secretary of the USDOL. A WIA related decision may be appealed by the adversely affected party to the USDOL within 60 calendar days of receipt of the DLEG/Internal Audit and Monitoring Division decision. Pursuant to 20 CFR 667.610(c), all appeals must be submitted by certified mail, return receipt requested, to:

Secretary
U.S. Department of Labor
Attention: ASET
Washington, DC 20210

A copy of the appeal must be simultaneously provided to:

Regional Administrator
Employment and Training Administration
U.S. Department of Labor
230 South Dearborn Street, Room 628
Chicago, IL 60604

And

Mr. Allen Williams, Director
Internal Audit and Monitoring Division
Michigan Department of Labor & Economic Growth
611 West Ottawa, 4th Floor
P.O. Box 30004
Lansing, Michigan 48909

IV. Appeals Related to Designation as a Local Workforce Investment Area

In accordance with Section 116(a)(5) of the WIA and 20 CFR 667.645(a and b),

A. Appeals of denial of automatic or temporary and subsequent designation as a local workforce investment area may be filed with the Michigan Workforce Investment Board.

B. If the appeal to the Michigan Workforce Investment Board does not result in designation as a local workforce investment area, the appellant may request a review by the Secretary of USDOL. Appeals must be filed no later than 30 days after receipt of written notification of the denial from the State Board, and must be submitted by certified mail, return receipt requested, to the Secretary, U.S. Department of Labor, Washington, DC 20210, Attention: ASET. A copy of the appeal must be simultaneously provided to the Michigan Workforce Investment Board.

V. Special Provisions:

A. Complaints alleging violation of the nondiscrimination and equal opportunity (EO) provision of state/federal grant programs must be resolved in accordance with the nondiscrimination and EO policy guidelines issued by the DLEG/BWP.

a. Known or suspected fraud, abuse, or criminal conduct under the WIA shall be reported in accordance with the incident report guidelines issued by the DLEG.

b. Pursuant to the PRWORA Regulation 45 CFR 261.70, a grievance may be filed by an affected individual if a recipient of TANF is placed in a position (1) when any other individual is on layoff from the same or any substantially equivalent job or (2) if the employer has terminated the employment of any regular employee or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy so created with an adult receiving TANF assistance. In this situation, either party to the grievance, the TANF recipient, or the displaced employee, may appeal the decision rendered by the AE of the WDB to the DLEG/Internal Audit and Monitoring Division.

D. Pursuant to WIA Regulation 20 CFR 667.270(d), a grievance may be filed by a regular employee displaced by a WIA participant who is placed in an employment activity operated with WIA funds. Also, a grievance may be filed by a WIA participant in an employment activity if the participant is displaced.

In accordance with 20 CFR 667.600(c)(3) of the WIA regulations, local grant recipient grievance procedures must provide WIA participants a process, which allows an individual alleging a labor standards violation to submit the grievance to a binding arbitration procedure, if a collective bargaining agreement covering the parties to the grievance so provides.

E. Depending on the nature of the grievance, TANF and FAE&T program applicant and recipient grievances shall be handled in accordance with the local grant recipient or the Michigan Department of Human Services (DHS) or other applicable procedures. For example, grievances regarding sanctioning or food stamp benefits will be handled by DHS, while grievances regarding programs administered by the local grant recipient will be handled by the AE of the WDB.

F. Grievances involving Wagner-Peyser Act activities must be resolved in accordance with the grievance procedures outlined in the Employment Service Manual, which is available on the One-Stop Management Information System. In addition, please refer to the Employment Service Manual for specific guidance regarding work-related complaints that are not program specific, such as: employer hour and wage violations, migrant farm worker complaints, and other possible violations of general labor laws.

Action: Effective immediately, local grant recipients shall establish and maintain written grievance procedures in accordance with this PI.

Inquiries: Questions regarding this PI may be directed to the DLEG/IAMD.

In accordance with the Americans With Disabilities Act, the information contained in this PI will be made available in alternative format (large type, audio tape, etc.) upon request to this office.

Expiration: Continuing

BCN:RH:al

ATTACHMENT G

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

DAVID C. HOLLISTER
DIRECTOR

Emailed 3/1/04 jl

OFFICIAL

Michigan Department of Labor & Economic Growth (DLEG)
Office of Workforce Development (OWD)
Policy Issuance (PI) No. 04-03
Index: IV

Date: February 27, 2004

To: Michigan Works! Agency (MWA) Directors

Programs Affected: All programs administered through DLEG/OWD

Subject: Procurement Policy

Purpose: This PI is being issued to consolidate into one single document OWD's policy on procurement as previously presented in Michigan Department of Career Development (MDCD)/OWD PI 99-34 and its subsequent changes, as well as incorporating new policy information relating to the procurement of equipment.

References: Office of Management and Budget (OMB) Circular for Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Government, **The Common Rule** (as amended May 19, 1995).

OMB Circular A-110, Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations (as further amended August 29, 1997), as applicable.

OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments (as further amended August 29, 1997), as applicable.

OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments (as further amended August 29, 1997), as applicable.

OMB Circular A-122 (06/01/1998), Cost Principles for Non-Profit Organizations

Workforce Investment Act (WIA) Regulations, 29 Code of Federal Regulations (CFR) Section 667

Welfare To Work (WTW) Regulations, 20 CFR Section 645

Temporary Aid to Needy Families (TANF) Regulations, 45 CFR Section 263

Michigan Complied Laws Annotated (MCLA) 752.791, The Michigan Computer Law, as applicable.

Rescissions: MDCD/OWD PI 99-34 and subsequent changes.

Background: This policy restates the uniform administrative requirements for the procurement of equipment, supplies, and/or services utilizing any OWD funding source. In addition, it clarifies the requirement for prior approval of the procurement of capital assets in excess of $25,000.

Policy:

A. <u>GENERAL</u>

MWAs shall maintain a written procurement policy, which shall apply in the selection of service providers and vendors for all procurement utilizing OWD funds. All procurements utilizing OWD funding sources must comply with this policy, specific grant requirements, all applicable OMB circulars, and all regulations specific to the funding source(s) used. MWAs shall conduct procurement procedures in such a manner that provides full and open competition.

The Michigan Department of Management and Budget (DMB) has agreed to accept for state agencies the competitive bid process undertaken by partner agencies at the Michigan Works! Service Center, for the same goods and services, as satisfying the competitive bid requirements for purchasing such items as space, furniture, and equipment for their use at a Michigan Works! Service Center.

The OMB "Common Rule" competitive bid requirements are also met if state departments have undertaken a DMB competitive bid process for space, furniture, and equipment, and the terms of those contracts are extended to the MWAs. Thus, it would not be necessary for a Michigan Works! Service Center or its partners to undertake another competitive bid process for space, furniture, and equipment for Michigan Works! Service Centers.

MWAs are reminded that acquisitions under such contracts must adhere to the uniform administrative requirements for the procurement of equipment and/or services, including proper documentation, record retention, and inventory requirements.

The May 27, 1999, letter from Mel Farmer, Director, DLEG Office Services, is an example of the type of documentation that can be used to satisfy the competitive bid requirements for the procurement of office products specified under the designated Haworth, Inc., contracts. Such documentation must be maintained on file for OWD monitoring purposes.

B. CAPITAL EXPENDITURES

OMB Circulars A-87 and A-122 require the approval of capital expenditures by the grantor agency. This approval authority has been delegated to the state for all grants administered by DLEG/OWD. And, to the extent that state procedures for state organizations are sufficient to define the allowability of Employment & Training Administration (ETA) capital asset acquisition costs and do not inappropriately constrain non-state organizations, the state's policy can be applicable to non-state governmental subgrantees.

The DMB Procedure No. 0510.01, issued August 31, 1998, delegates purchasing authority for procurements of equipment up to $25,000 to state departments. Per the above, DLEG/OWD delegates this authority to the MWAs. Although this authority rests in the MWA, all equipment procurements, regardless of cost, are only allowable costs if they are necessary and reasonable for proper and efficient performance and administration of the grant award. Procurements may not be divided into separate orders (transaction splitting) with the intent to stay within this delegated authority.

Procurement of equipment and capital improvements in excess of $25,000 are subject to approval by DLEG/OWD. The MWA's request for approval should include at a minimum the following applicable information:

1. A description of the proposed capital improvement or equipment to be procured.

2. A discussion of how the proposed capital improvement or equipment will benefit the MWA's program(s).

3. The expected cost of the procurement with a cost or price analysis.

4. A copy of the technical specifications or other pertinent information given to prospective bidders that explains in sufficient detail what is being procured.

5. Copies of at least two bids secured by using the competitive bid process with the preferred bid indicated. If the preferred bid is not the lowest bid, the reason for selection should be noted. If only one bid is secured, a brief description of the competitive procurement efforts made. And, if sole source procurement will be utilized, documentation that gives the rationale for sole source acquisition is required.

6. For a capital improvement, the date it will begin, when it will be completed, the location of the building, and the site.

Please submit the above information, along with a cover letter requesting approval, to:

Mr. Ted De Leon, Division Director
Reporting and Monitoring Division
Office of Workforce Development
Michigan Department of Labor & Economic Growth
201 N. Washington Square, 5th Floor
Lansing, Michigan 48913

No procurement of equipment or capital improvements in excess of $25,000 can be made prior to the date of approval.

Construction or Purchase of Facilities is prohibited under the grants administered by DLEG/OWD with limited exceptions.

Workforce Investment Act (WIA) Title I Funds may be spent on construction or purchase of facilities:

1. To meet a grant recipient's obligation to provide physical and programmatic accessibility and reasonable accommodation, as required by section 504 of the Rehabilitation Act of 1973, as amended, and the Americans With Disabilities Act of 1990

2. To fund repairs, renovations, alterations, and capital improvements of property, including:

   a. SESA real property, identified at WIA Section 193.

   b. Job Training Partnership Act owned property which was transferred to WIA Title I programs.

   Job Corp facilities, as authorized by WIA Section 160 (3) (B).

   Trade Adjustment Assistance funds can only be used to procure real property if approved in advance by the Grantor agency U. S. Department of Labor.

   Repairs and alterations are considered current operating costs and are allowable.

C. BASIC POLICY REQUIREMENTS

At minimum, the procurement policy shall require:

- Cost and/or price analysis for every procurement;
- Written standards for all types of procurement;
- Conduct that ensures full and open competition;
- Methods for acquisition of equipment, building space, or related facilities, as well as the selection of service providers;
- Provisions for leases and contracts;
- Provisions which prohibit conflict of interest and discrimination;
- Procedures for inventory, record keeping, and reporting to show history of each procurement;
- Methods to ensure subrecipient compliance with the terms and conditions of contractor purchase orders and awards made to responsible subrecipients;

- Review of proposed procurement to prevent unnecessary purchases; and

- Documentation of all procurements by the MWA and any subrecipient for all procurement regardless of dollar amount.

D. STANDARDS

In order to ensure that unfair requirements are not placed on procurement procedures, the following situations that are considered restrictive of competition are to be avoided:

- Placing unreasonable requirements on firms or organizations in order to qualify to do business;

- Requiring unnecessary experience and/or excessive bonding;

- Noncompetitive pricing practices between firms or organizations or between affiliated companies or organizations;

- Noncompetitive awards to consultants that are on retainer contracts;

- Awards that would create organizational conflicts of interest;

- Specifying brand name products instead of allowing a similar product of equal quality and describing the performance of other relevant requirements of the procurement;

- Overly restrictive specifications, and

- Any arbitrary action in the procurement process.

1. Competitive Procurement

For all procurements in excess of $25,000 **formal procedures** are to be used**.** Formal procurement procedures approved for using OWD funding sources are the following:

- **Sealed bids** are publicly solicited procurements for which a firm fixed-price (lump sum or unit price) or other fixed rice arrangement is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. Invitations for bids shall be publicly advertised, and solicited from at least two or more vendors. The invitation for bids shall include any specifications and pertinent attachments, and shall define the items or services in order for the bidder to properly respond.

All bids shall be publicly opened at the time and place prescribed in the invitation for bids.

- **Competitive proposals** are conducted with more than one source submitting an offer and either a fixed-price or cost reimbursement type award is made. MWAs must implement documented procedures for the methodology used for technical evaluations, and award to the responsible offer whose proposal is most advantageous to the program with respect to price, technical, and other factors considered.

- **Informal procurement procedures** may be conducted for small purchase procurement of property or services **under $25,000** in the aggregate. MWAs shall not break down one purchase into several purchases merely to be able to use small purchase procedures. Documentation of price rates or quotes shall be maintained from an adequate number of qualified sources.

2. **Non-Competitive (Sole Source) Procurement**

Sole source procurement through a proposal from only one source or after a determination that competition is inadequate shall be **minimized, justified, and documented.** This procedure may be **used only** when the award is not feasible under competitive procedures due to one of the following circumstances:

- The item or service is only available from a single source; or

- When there is a public emergency need for the item or service which does not permit a delay resulting from using competitive procedure; or

- After solicitation of a number of sources, only one bid is received and/or competition is determined inadequate.

3. **Deliverables and Basis for Payment**

Each procurement shall clearly specify deliverables and the basis for payment.

4. **Small, Minority, and Women Owned Businesses**

The following affirmative steps are to be taken to ensure that minority firms, women's business enterprises, and labor surplus area firms are used when possible:

- Placing qualified small, minority, and women's businesses on solicitation lists;
- Ensuring that small, minority, and women's businesses are solicited whenever they are potential sources;
- Dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by small, minority, and women's businesses;
- Establishing delivery schedules, where the requirements permit, which encourage participation by small, minority, and women's businesses;
- Using the services and assistance of the United States Small Business Administration and the Minority Business Development Agency of the United States Department of Commerce; and
- Requiring the prime contractor, if subcontracts are to be let, to take the same affirmative steps.

5. **Lease Requirements**—Procurements with OWD funds are to be covered by a written contractual agreement. Leases must contain the following:

    - The agency or organization name and business address of the lessee and the lessor;
    - The signatures of authorized representatives of both the lessee and the lessor;
    - The effective dates of the agreement (beginning and ending dates);
    - Specific items covered by the agreement, i.e., address of the facility, quantity and description of equipment items, quantity and type of motor vehicles, specific maintenance and operating costs which are included or excluded;
    - Insurance costs;

- Lease insurance for motor vehicles, if applicable; and
- Conditions for termination of the lease without penalty costs should federal funds become unavailable.

6. **Cost or Price Analysis**

A cost or price analysis shall be performed for every procurement action, including contract modifications, except those, which have no monetary impact.

Cost analysis is necessary when the offeror is required to Submit the elements of the estimated costs, or when adequate price competition is lacking. Cost analysis is also required for all sole source procurement.

Cost analysis is the review and evaluation, element by element, of an agency's proposal. Contract cost analysis is the element-by-element examination of costs and related information presented in the cost and pricing data offerors submit.

Price Analysis shall be used when price reasonableness can be established on the basis of the catalog or market price of a product or is based on prices set by law or regulation. Price analysis is the process of examining and evaluating a price without looking at individual cost elements. The focus is the "bottom-line" price. The method and degree of the analysis depends on the particular procurement and pricing situation. At a minimum, the awarding agency shall make independent estimates before receiving bids or proposals.

A certification should be submitted by the offeror to the MWA, stating that the cost data is accurate, complete, and current at the time of agreement, in all cases where a cost analysis is necessary and there is inadequate price competition. Awards or modifications negotiated in reliance on such data should provide the MWA a right to a price adjustment to exclude any significant sum by which the price was increased in cases there the awardee had knowingly submitted data that was not accurate, complete, or current as certified.

7. **Selection of Service Providers**

The primary consideration in selecting agencies or organizations to deliver services within a local area shall be the effectiveness of the agency or organization in delivering comparable or related

services based on demonstrated performance, in terms of the likelihood of meeting performance goals, cost, quality of training, and characteristics of participants. The selection of service providers shall be made on a competitive basis to the extent practicable, and shall include a determination of the ability of the service provider to meet program design specifications established by the administrative entity that take into account the purposes and goals of the specific program.

In compliance with Section 104 of PRWORA, the Charitable Choice provision, MWAs are to consider religious organizations on an equal, nondiscriminatory basis with the other groups when deciding to contract with private institutions for welfare services funded by TANF or Food Assistance programs.

8. **Debarred and Suspended Parties**

MWAs shall not contract with any party which is debarred or suspended or is otherwise excluded from, or ineligible for, participation in federal assistance programs. A party's eligibility for participation in federal assistance programs can be determined by accessing the Federal Excluded Parties Listing System located on the Internet at http://epls.arnet.gov. MWAs shall establish procedures for the effective use of the List of Parties Excluded from Federal Procurement or Nonprocurement programs to ensure that they do not award assistance to listed parties in violation of this requirement.

Conflict of Interest—MWAs shall adopt appropriate procedures and practices to ensure that conflict of interest is avoided in the procurement of goods and services involving OWD funding sources. Individuals on the Workforce Development Board must avoid any appearance of a conflict of interest

E. PROPERTY MANAGEMENT STANDARDS:

1. **Record Retention**

All pertinent property disposition records and supporting documentation shall be maintained for a period of three years. The retention period begins on the date of DLEG/OWD's acceptance of the final closeout report for the grant or contract. Records for nonexpendable property shall be retained for a period of three years after final disposition of the property. Records shall be retained beyond the three years if any litigation or audit is begun or if a claim is instituted involving the grant or agreement covered by the records.

In these instances, the records shall be retained until the litigation, audit, or claim has been finally resolved.

2. **Property Maintenance**

   Adequate maintenance procedures must be developed to keep the property in good condition. This includes securing pertinent warranties, following manufacturers recommended procedures for maintenance, and providing adequate care.

3. **Vestment of Title**

   Title to equipment with an acquisition cost of $5000 or more is to be vested in the MWA or with the subcontractor as determined by the MWA. Vestment of title is contingent upon the MWA's operation of applicable programs. Title to equipment will transfer to OWD upon the MWA's termination of applicable programs.

4. **Inventory Requirements**

   MWAs are responsible for the maintenance of the property inventory. The OWD defines equipment as property with a per unit acquisition cost of $5000 or more and having a life of one year or more. Property includes computer software acquisitions if the per unit acquisition cost is $5000 or more.

   For purposes of inventory control, maintenance of records by automatic data processing, ledger, or property card format shall be required for all equipment items purchased in whole or in part with funds from DLEG/OWD. Equipment inventory is to be physically verified annually by the MWA, by someone other than the Director or Property Manager, and a list of all equipment sent to DLEG/OWD <u>by May 1 of each year</u>. Equipment with an acquisition cost of $5000 or more may not be moved outside the MWA's jurisdiction.

   The annual inventory list shall include **all** of the following information:

   - Description of equipment
   - Serial number
   - I.D. or Tag number
   - Funding source(s) of equipment
   - Vestment of Title
   - Acquisition date
   - Cost
   - Percentage of federal funds used in the acquisition
   - Location of the equipment

- Condition of the equipment
- Program utilizing the equipment
- Approval date for disposal
- Disposal Date
- Net sales proceeds (if disposed of)

The inventory list shall be sent to:

Michigan Department of Labor & Economic Growth
Office of Workforce Development
201 North Washington Square, 5th Floor
Lansing, Michigan 48913
Attention: Inventory Account Analyst

For all new purchases with a unit cost of $5000 or more, the MWA shall add the items to their inventory list within 30 days of acquisition. In addition, the MWA shall notify DLEG/OWD, of all the inventory control information listed above (with the exception of the last three items), **by submitting a Confirmation of Equipment Purchase (OWD Form-7) within 30 days of acquisition.**

Equipment Disposition—Written approval must be obtained from DLEG/OWD prior to disposal of any equipment items that had an original acquisition cost of $5000 or more. Equipment purchased utilizing OWD funding sources, which is no longer needed, must be disposed of at fair market value. Equipment may be traded-in or sold with the proceeds applied to offset the cost of replacement equipment. Equipment may be sold or otherwise disposed of (junked, donated, etc.) with the proceeds (if any) treated as program income and applied to offset program costs in the original funding sources. All equipment dispositions must be properly documented and the information retained as required in Item 1.

5. **Destroyed, Missing, or Stolen Equipment**

MWAs shall maintain documentation of all equipment destroyed. Documentation shall include date equipment was destroyed, a description of equipment and serial number(s), and the cause of loss. MWAs shall contact their local police department and request a report to be completed on any missing or stolen equipment. A copy of the report shall be maintained by the grant recipient/administrative entity. For equipment, which originally cost $5000 or more, a copy of the police report must be forwarded to OWD/DLEG. Inventory records shall be adjusted accordingly.

Action: MWAs shall establish, maintain, and follow a written procurement policy, which complies with this policy.

Inquiries: Questions regarding this policy should be directed to the Federal Reporting Section of OWD's Reporting and Monitoring Division.

In accordance with the Americans With Disabilities Act, the information contained in this instruction letter will be made available in alternative format (large type, audio tape, etc.) upon special request received by this office.

Expiration: Continuing.

SIGNED

Vicki S. Enright, Director
Office of Workforce Development

VSE:ML:JL

Name of WIA Title I Grant Recipient Agency:

PROGRAM ADMINISTRATION DESIGNEES AND PLAN SIGNATURES

Name of WIA Title I Grant Recipient Agency:
Department of Labor & Economic Growth (DLEG)
Address: 611 W. Ottawa, 4th Floor, P.O. Box 30004
Lansing, MI 48909
Telephone Number: 517-373-7246
Facsimile Number: 517-373-2129
E-mail Address:

Name of State WIA Title I Administrative Agency (if different from the Grant Recipient): N/A

Address: _____
_____
Telephone Number:_____
Facsimile Number:_____
E-mail Address:_____

Name of WIA Title I Signatory Official: Keith W. Cooley, Director, DLEG
Address: 611 W. Ottawa, 4th Floor,
P.O. Box 30004
Lansing, MI 48909
Telephone Number: 517-373-2493
Facsimile Number: 517-373-2129
E-mail Address:

Name of WIA Title I Liaison: Ms. Brenda C. Njiwaji, Director, Bureau of Workforce Programs
Address: 201 N. Washington Square, 5th Floor
Lansing, MI 48913
Telephone Number: 517-335-5858
Facsimile Number: 517-335-5945
E-mail Address: njiwajib@michigan.gov

Name of Wagner-Peyser Act Grant Recipient/State Employment Security Agency:
Department of Labor & Economic Growth
Address: 611 W. Ottawa, 4th Floor, P.O. Box 30004
Lansing, MI 48909
Telephone Number: 517-373-7246
Facsimile Number: 517-373-2129
E-mail Address:

Name and title of State Employment Security Administrator (Signatory Official):

Name:	Keith W. Cooley
Address:	611 W. Ottawa, 4th Floor, P.O. Box 30004 Lansing, MI 48909
Telephone Number:	517-373-2493
Facsimile Number:	517-373-2129
E-mail Address:	

As the Governor, I certify that for the State/Commonwealth of **Michigan** the agencies and officials designated above have been duly designated to represent the State/Commonwealth in the capacities indicated for the Workforce Investment Act, Title I, and Wagner-Peyser Act grant programs. Subsequent changes in the designation of officials will be provided to the U.S. Department of Labor as such changes occur.

I further certify that we will operate our Workforce Investment Act and Wagner-Peyser Act programs in accordance with this Plan and the assurances herein.

Typed Name of Governor: Jennifer M. Granholm

Signature of Governor <signed> Date 4/26/07