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**OFFICIAL**

**Workforce Development Agency (WDA)**  
**Policy Issuance (PI): 11-36, Change 2**

E-mailed: 1/2/2014 (tk)

**Date:** January 2, 2014

**To:** Michigan Works! Agency (MWA) Directors

**From:** Stephanie Beckhorn, Director (**Stephanie Beckhorn/KJ – SIGNED**)  
Office of Workforce Policy and Strategic Planning

**Subject:** Workforce Investment Act (WIA) Additional Dislocated Worker (DW) Program Allocation for Program Year (PY) 2011

**Programs Affected:** WIA DW Programs Administered by the MWAs

**Rescissions:** None

**References:** Bureau of Workforce Programs (BWP PI 07-16, issued September 14, 2007, and subsequent changes)  
BWP PI 02-11, issued April 2, 2002  
Michigan Strategic Fund PI 12-04, issued June 27, 2012  
The WIA Act of 1998  
U.S. Department of Labor (USDOL), Training and Employment Guidance Letter (TEGL) 28-10, issued May 27, 2011  
USDOL TEGL 09-11, Change 1, issued January 30, 2012  
USDOL TEGL 25-11, issued April 24, 2012



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Workforce Development Agency, State of Michigan (WDASOM) PI 11-17, issued January 25, 2012

WDASOM PI 11-36, issued May 29, 2012

WDASOM PI 12-02, issued June 20, 2012

WIA Final Rule 20 Code of Federal Regulation Part 652, et al.

**Background:** The WIA DW funds are allocated by formula to MWAs in support of employment and training activities, including core, intensive, and training services authorized under the WIA, Section 134(d)(2), (3), and (4), respectively. Additional guidance regarding supportive services is also provided in Section 134(e)(2) and (3).

**Policy:** **The WDA is awarding additional Appropriation Year (AY) 2011 WIA DW funding, in the total amount of \$1,962,758 by formula to all 25 MWAs.** The additional AY 2011 WIA DW allocation is derived from AY 2011 WIA Rapid Response discretionary, set-aside funding that was originally reserved for State Adjustment Grants.

**The additional AY 2011 WIA DW allocations awarded to MWAs in this policy issuance must be expended by March 31, 2014. AY 2011 WIA DW funding awarded in this policy issuance unexpended by MWAs as of March 31, 2014, is subject to recapture by the WDA.**

Funding for local administration is limited to 10 percent of the allocation.

All other WIA program and fiscal requirements in **WDASOM PI 11-36**, “Workforce Investment Act (WIA) Adult, Dislocated Worker (DW), and Youth Program Allocations for Program Year (PY) 2011, July 1, 2011 through June 30, 2012,” issued May 29, 2012; and **WDASOM PI 11-36, Change 1**, “Workforce Investment Act (WIA) Additional Dislocated Worker (DW) Program Allocation for Program Year 2011,” issued October 5, 2012, unless superseded or rescinded by this policy, remain in effect.

**Action:** All MWAs are required to submit a revised DW Budget Information Summary (BIS) form, Bureau of Workforce Transformation BWT-345 (5/09), consistent with the total DW funding as detailed in this policy issuance within 30 days from the issue date to Ms. Teresa Keyton at [keytont@michigan.gov](mailto:keytont@michigan.gov).

#### Profit

Profit under this award, including sub-awards, is an allowable cost. However, profit is payable only to commercial organizations and must be negotiated as a separate element of each contract’s price. Profit rates can be negotiated from zero percent up to a maximum of ten percent. Profit rates can only be applied

against the commercial organization's personnel-related costs (i.e., salaries, wages, and benefits) for the staff that contributed to the organization's unique capacity to manage and achieve the performance of the contract.

Factors to consider when negotiating profit are the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work. Under cost reimbursement contracts, there is little to no risk to the commercial organization; therefore, profit is usually not warranted. Profit must be tied to performance and cannot be paid as a guaranteed fixed fee. Profit is earned when performance outcomes are attained and is disbursed when those outcomes are validated. Profit cannot be paid in addition to performance payments or incentive payments (for the most current WDA guidelines regarding profit, please refer to PI 12-29, "Procurement," issued March 5, 2013).

#### Fiscal Information

The MWA will process all cash requests through the Management of Awards to Recipients System (MARS) in accordance with the MARS Manual. The MWA must have on file appropriate documentation to support each cash draw.

The USDOL, Employment and Training Administration, requires all grantees to report all financial transactions on a full accrual basis. Accrued expenditures mean the charges incurred by the grantee during a given period requiring the provision of funds for: (1) goods and other tangible property received; (2) services performed by employees, contractors, sub-grantees, subcontractors, and other payees; and (3) other amounts becoming owed under programs for which no current services or performance is required, such as annuities, insurance claims, and other benefit amounts.

In general, total accrued expenditures are costs incurred for goods and services received regardless of whether the payment has been made.

All reporting of fiscal expenditures of the funds provided through this PI must be reported to the WDA on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due to the WDA no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to the WDA no later than 60 days after the end of the grant period. In the event that the due date falls on a weekend or state government holiday, the report is due on the last business day prior to the due date. Submit reports to the MARS system at <http://www.michigan.deleg-mars.org>. If there are any questions regarding cash requests or submission of expenditure reports, please call Kerry Trierweiler at (517) 241-1788 or Lori Schomisch at (517) 241-0672.

**Inquiries:**

Questions regarding this policy issuance should be directed to your WIA State Coordinator.

This policy issuance is available for downloading from the Internet system. Please contact Ms. Teresa Keyton at (517) 335-7418 for details.

The information contained in this policy issuance will be made available in alternative format (large type, audio tape, etc.) upon special request to this office. Please contact Ms. Teresa Keyton at (517) 335-7418 for details.

**Expiration**

**Date:**

June 30, 2014

SB:LMS:tk

## **Budget Information Summary (BIS) Form Instructions**

### **Section I - Identification Information**

1. Michigan Works! Agency (MWA): Enter the name of the MWA.
2. MWA Number: Enter the number assigned to the MWA.
3. Program Title: Enter the program name. For example, Workforce Investment Act.
4. Policy Issuance Number: Enter the Policy Issuance number that the Budget Information Summary covers.
5. Plan Period: Enter the start and end dates of the plan period, e.g., 07/01/11 to 03/31/14.
6. Grant Name: Enter the name of the grant associated with the funding being awarded.
7. Project Name: Enter the name of the project associated with the funding being awarded.

### **Section II - Total Funds Available**

1. Appropriation Year (AY) Funding
  - a. Enter the current AY allocated funding.
  - b. Enter amount transferred in from another program, if any, and indicate which program the amount came from.
  - c. Enter amount transferred out to another program, if any, and indicate which program the amount was transferred to.
  - d. Enter the sum of lines 1a, 1b, and 1c to show the total allocation.

### **Section III - Current AY Planned Expenditures by Cost Category**

1. Administration: Enter amount of allocation planned for administration.
2. Program: Enter amount of allocation planned for program costs.  
  
If Youth:
  - a. Enter amount of allocation planned for in-school youth.
  - b. Enter amount of allocation planned for out-of-school youth.

## BUDGET INFORMATION SUMMARY

### SECTION I – IDENTIFICATION INFORMATION

1. Michigan Works! Agency (MWA) Name:		2. MWA Number:	
3. Program Title: Workforce Investment Act		4. Policy Issuance Number: 11-36, Change 2	
5. Plan Period: 7/1/2011 – 3/31/ 2014		6. Grant Name: AY11 WIA Dislocated Worker	
7 Project Name: WIA Dislocated Worker			

### SECTION II – TOTAL FUNDS AVAILABLE

Allocation	Amounts
1. Appropriation Year (AY) Funding	
a. Current AY Funding	\$
b. Transfer in from:   Adult [   ]   Dislocated Worker [   ]	\$
c. Transfer out to:    Adult [   ]   Dislocated Worker [   ]	\$
d. Total Current AY funding	\$

### SECTION III - CURRENT AY PLANNED EXPENDITURES BY COST CATEGORY

Cost Category	Amounts
1. Administration	\$
2. Program	\$
If Youth, complete a and b	
a. Program Funding Amount for In-School Youth	\$
b. Program Funding Amount for Out-of-School Youth	\$

BWT-345 (5/09)

The Workforce Development Agency in compliance with applicable federal and state laws, does not discriminate in employment or in the provision of services based on race, color, religion, sex, national origin, age, disability, height, weight, genetic information, marital status, arrest without conviction, political affiliation or belief, and for beneficiaries only, citizenship or participation in any federally assisted program or activity.

**WORKFORCE INVESTMENT ACT DISLOCATED WORK PROGRAM**

**Program Year 2011**

**(July 1, 2011 – March 31, 2014)**

Michigan Works! Agency	PY 2011 July Base Allocation	PY 2011 October Advance Allocation	PY 2011 Additional Allocation	PY 2011 Excess Carry-In Allocation	PY 2011 USDOL Redistributed Allocation	PY 2011 Additional RR for DW Allocation	AY 2011 Additional WIA DW Allocation	PY 2011 Total Allocation
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
ACSET	555,211	1,557,360	22,725	619	820	<b>297,853</b>	<b>116,923</b>	<b>2,551,511</b>
Berrien/Cass/Van Buren	291,748	818,348	11,942	326	431	<b>156,513</b>	<b>61,439</b>	<b>1,340,747</b>
Calhoun ISD	207,726	582,667	8,503	232	307	<b>111,438</b>	<b>43,745</b>	<b>954,618</b>
Capital Area	351,469	985,867	14,386	392	519	<b>188,552</b>	<b>74,017</b>	<b>1,615,202</b>
Central Area	215,353	604,061	8,814	240	318	<b>115,530</b>	<b>45,351</b>	<b>989,667</b>
Detroit Emp Solution	1,182,365	3,316,518	48,395	1,320	1,747	<b>634,301</b>	<b>248,996</b>	<b>5,433,642</b>
Eastern U.P.	62,598	175,589	2,562	70	93	<b>33,582</b>	<b>13,183</b>	<b>287,677</b>
Genesee\Shiawassee	468,197	1,313,286	19,164	522	692	<b>251,173</b>	<b>98,598</b>	<b>2,151,632</b>
Great Lakes Bay	317,768	891,336	13,006	355	470	<b>170,472</b>	<b>66,919</b>	<b>1,460,326</b>
Kalamazoo-St. Jo	262,828	737,230	10,758	294	388	<b>140,999</b>	<b>55,349</b>	<b>1,207,846</b>
Livingston County	140,642	394,501	5,756	157	208	<b>75,450</b>	<b>29,618</b>	<b>646,332</b>
Macomb/St. Clair	1,011,305	2,836,699	41,393	1,128	1,494	<b>542,533</b>	<b>212,972</b>	<b>4,647,524</b>
Muskegon County	225,766	633,271	9,241	252	334	<b>121,116</b>	<b>47,544</b>	<b>1,037,524</b>
Northeast	150,614	422,472	6,165	168	223	<b>80,800</b>	<b>31,718</b>	<b>692,160</b>
Northwest	325,289	912,431	13,315	363	481	<b>174,507</b>	<b>68,503</b>	<b>1,494,889</b>
Oakland County	1,136,723	3,188,493	46,526	1,270	1,680	<b>609,815</b>	<b>239,384</b>	<b>5,223,891</b>
Ottawa County	229,102	642,629	9,377	256	339	<b>122,906</b>	<b>48,247</b>	<b>1,052,856</b>
Region 7B	147,723	414,361	6,046	165	218	<b>79,249</b>	<b>31,109</b>	<b>678,871</b>
SEMCA	869,824	2,439,844	35,602	972	1,285	<b>466,632</b>	<b>183,177</b>	<b>3,997,336</b>
South Central	294,934	827,285	12,072	329	436	<b>158,222</b>	<b>62,111</b>	<b>1,355,389</b>
The Job Force	134,779	378,056	5,516	150	199	<b>72,305</b>	<b>28,384</b>	<b>619,389</b>
Thumb Area	281,976	790,939	11,542	315	417	<b>151,271</b>	<b>59,382</b>	<b>1,295,842</b>
Washtenaw	208,307	584,296	8,526	232	308	<b>111,750</b>	<b>43,868</b>	<b>957,287</b>
West Central	153,939	431,798	6,301	172	227	<b>82,584</b>	<b>32,418</b>	<b>707,439</b>
Western U.P.	94,036	263,770	3,849	-10,299	139	<b>50,447</b>	<b>19,803</b>	<b>421,745</b>
<b>MWA Total</b>	<b>9,320,222</b>	<b>26,143,107</b>	<b>381,482</b>	<b>0</b>	<b>13,773</b>	<b>5,000,000</b>	<b>1,962,758</b>	<b>42,821,342</b>

WDA November 22, 2013

The funding in this distribution chart does not include AY 2011 WIA State Adjustment Grants (SAGs)