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E-mailed: 02/05/16 (pv)

**Workforce Development Agency (WDA)**  
**Policy Issuance (PI): 15-18, Change 1**

**Date:** February 5, 2016

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

**From:** Joseph Billig, Director, Office of Talent Policy and Planning  
Workforce Development Agency **SIGNED**

**Subject:** Fiscal Year (FY) 2016 Partnership. Accountability. Training. Hope. (PATH)  
Program FY 2015 Closeout De-obligations

**Programs Affected:** PATH

**References:** Reauthorization of the Temporary Assistance for Needy Families (TANF)  
Program; Final Rule, 45 CFR Parts 261, 262, 263, and 265  
  
Personal Responsibility and Work Opportunity Reconciliation Act of 1996  
  
PATH Program Manual dated November 17, 2014

**Rescissions:** None

**Background:** On January 15, 2013, the Workforce Development Agency (WDA) issued a policy directive that stated, "Effective October 1, 2013, any unspent previous fiscal year funding balances (minus the \$10,000 threshold) will be reduced and removed from the new fiscal year's allocation at a percentage to be determined at that time. For FY 2016, the percentage is 100 percent. In accordance with that directive, the WDA will de-obligate 100 percent of FY 2015 unspent PATH TANF and General Fund/General Purpose (GF/GP) funding.

**Policy:** The WDA will de-obligate an amount equal to unspent FY 2015 PATH funding from the FY 2016 TANF and GF/GP allocations. These funding de-obligations are based on FY 2015 closeout information reported in the Management of Awards to Recipients System (MARS).

For FY 2015, there was unspent TANF and GF/GP funding totaling \$192,881 of which \$162,881 will be recaptured. MWAs with unspent funding were South Central (now Southeast Michigan Consortium) - \$90,246; Michigan Works! Southwest - \$74,074 and Washtenaw (now Southeast Michigan Consortium) - \$28,561.

**To avoid de-obligation of FY 2017 funding, MWAs must identify anticipated surplus funding no later than July 15, 2016. Requests received after this date will be subject to the recapture policy whether funding is redistributed or not. The recapture rate for FY 2016 and beyond will be 110 percent (minus the \$10,000 threshold) and will include TANF, GF/GP, and refugee funding.**

**Action:** Affected MWA Directors must submit a revised Budget Information Summary within 30 days of the official date of this policy issuance to [WDA-WR-WP@michigan.gov](mailto:WDA-WR-WP@michigan.gov).

**Inquiries:** Questions regarding this policy issuance should be directed to your Welfare Reform State Coordinator at (517) 373-6234. The information contained in this policy issuance will be made available in an alternative format (large type, audio tape, etc.) upon request to this office.

**Expiration Date:** September 30, 2016

JB:YH:pv  
Attachment

**PATH – GF/GP**  
**Budget Information Summary Instructions**

**Section I - Identification Information**

Michigan Works! Agency (MWA): Enter the name of the MWA.

Policy Issuance: 15-18, Change 1 has been pre-printed.

Grant Name: “FY 2016 PATH GF/GP” has been pre-printed.

Project Name: “PATH GF/GP” has been pre-printed.

Plan Period: 10/1/2015 thru 09/30/2016 has been pre-printed.

CFDA Number: N/A.

**Section II - Total Funds Available**

Beginning Allocation: Enter the amount of the beginning allocation.

Additional Allocation: Enter the amount of additional allocation, if applicable.

De-obligation: Enter the de-obligation amount, if applicable.

Total Funds Available: This cell will automatically calculate.

**Section III - Planned Expenditures by Cost Categories**

Direct Client Services:

Employment: Enter the cumulative amount planned for Employment.

Employment (unsubsidized) is full or part-time employment in the public or private sector that is not supported by TANF, State GF/GP funds or any public programs.

Work Subsidies: Enter the cumulative amount planned for work subsidies.

Work subsidies include payments to employers or third parties to help cover the costs of employee wages, benefits, supervision or training. They do not include expenditures related to payment so participants in community service and work experience activities that are within the definition of assistance.

Other Work Activities: Enter the cumulative amount planned for other work activities.

Other work activities include: (a) work activities that have not been reported as

education or work subsidies (including staff costs related to providing work experience and community service activities, on-the-job training, job search and job readiness, and job skills training); (b) related services (such as employment counseling, coaching, job development, information and referral, and outreach to business and non-profit community groups); and (c) other work-related expenses. Include such costs when provided as part of a diversion program or as transitional services to individuals who ceased to receive assistance due to employment.

Unpaid Work: Enter the cumulative amount planned for Unpaid Work.

Unpaid work activities are work assignments performed in return for welfare. This would include work experience, community service, providing childcare services to individuals participating in community service

Education/Training Activities: Enter the cumulative amount planned for education/training activities.

Education/training activities include: satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence; education directly related employment (may include adult basic skills education and English as a Second Language [ESL]); and vocational education training (includes vocational occupational training, condensed vocational training and internships, practicums, and clinicals; and may also include ESL, basic and remedial education.

Preparation to obtain employment.

Job Search/and Job Readiness: Enter the cumulative amount planned for job search/job readiness.

Job search/job readiness activities include the act of seeking or obtaining employment. This activity may include teaching participants how to seek employment. Activities may offer information and skill building during formal, planned workshops and classes or through less structured individualized activities.

Total Direct Client Services: This cell will automatically calculate.

Supportive Services:

- a. Auto Purchases: Enter the cumulative amount planned for auto purchases.
- b. Public Transportation: Enter the cumulative amount planned for public transportation. This amount includes any fees related to open-door public transportation, such as bus tokens, taxi fares, etc.

- c. Auto-Related Expenses: Enter the cumulative amount planned for auto related Expenses. This amount includes automobile repairs, participant mileage reimbursement, license and registration fees, etc.
- d. Other Supportive Services: Enter the cumulative amount planned for other supportive services. This amount includes mileage paid to volunteer drivers, clothing/uniform allowances, professional tools, business start-up expenses, moving expenses, etc.

Total Supportive Services: This cell will automatically calculate.

Administration: Enter the cumulative amount to be spent for each of the administrative cost categories during the plan period.

- e. General Administrative Costs: Limited to 12 percent of the MWA's allocated funds. Enter the cumulative amount to be spent on costs associated with the general administration and coordination of the program for the plan period. If incentive awards are distributed, general administrative costs are limited to 25 percent of the award.

Examples of General Administrative Costs taken from the TANF Regulations:

- Salaries and benefits of staff performing administrative and coordination functions.
  - Preparation of program plans, budgets, and schedules.
  - Monitoring of programs and projects.
  - Fraud and abuse units.
  - Procurement activities.
  - Public relations.
  - Services related to accounting, litigation, audits, management of property, payroll, and personnel.
  - Costs for the goods and services required for the administration of the programs (e.g., supplies, equipment, postage, utilities, rental & maintenance of office space).
  - Travel costs incurred for official business.
  - Management and information systems not related to the tracking and monitoring of TANF requirements (e.g., payroll system for the MWA staff).
  - Preparing reports and other documents.
- f. Information Technology/Computerization: (Not limited to a percentage of funding.) For the plan period, enter the cumulative amount to be spent on the information technology and computerization needed for the tracking and monitoring required by TANF. This includes the salaries and benefits of staff that develop, maintain, support, and/or operate the tracking and monitoring portions of the limitation technology or computer systems. Contracts for such services are included in this cost category.

Total Administration: This cell will automatically calculate.

Total Planned Expenditures: This cell will automatically calculate.

#### **Section IV – Limitation Percentages**

This section was developed to assist MWAs and state coordinators to review planned expenditures and to ensure they are in line with limitations.

## FY 2016 PATH ALLOCATIONS

<b>Michigan Works! Agency</b>	<b>Current TANF Allocation</b>	<b>De- obligated TANF Amount</b>	<b>Revised Total TANF Funds</b>	<b>Current GF/GP Allocation</b>	<b>De- obligated GF/GP Amount</b>	<b>Revised Total GF/GP Funds</b>
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Berrien, Cass, Van Buren	1,176,656		1,176,656	196,488		196,488
Capital Area	1,919,004		1,919,004	320,452		320,452
DESC	13,540,120		13,540,120	2,261,045		2,261,045
Great Lakes Bay	3,059,810		3,059,810	510,954		510,954
GST Michigan Works!	8,863,181		8,863,181	1,480,050		1,480,050
Macomb/St. Clair	5,648,214		5,648,214	943,187		943,187
Northeast	787,134		787,134	131,443		131,443
Northwest	711,468		711,468	118,807		118,807
Oakland County	3,610,175		3,610,175	602,858		602,858
Region 7B	1,189,446		1,189,446	198,624		198,624
SEMCA	5,550,359		5,550,359	926,847		926,847
SE Michigan Consortium	3,159,726		3,159,726	535,987	(98,807)	437,180
Southwest MI Works	2,986,179		2,986,179	498,658	(64,074)	434,584
UPWARD Talent Council	1,353,533		1,353,533	226,024		226,024
West Central	837,937		837,937	139,926		139,926
West Michigan Works!	5,404,269		5,404,269	902,450		902,450
<b>Total</b>	<b>59,797,211</b>		<b>59,797,211</b>	<b>9,993,800</b>	<b>(162,881)</b>	<b>9,830,919</b>

Allocations based on:

60% - # of PATH participants  
40% - # of 21-day AEP referrals

2/3/2016