



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

JEFF DONOFRIO
DIRECTOR

OFFICIAL
Policy Issuance (PI): 19-21, Change 1

Date: May 26, 2020

To: Michigan Works! Agency (MWA) Directors

From: Krista Johnson, Division Administrator **SIGNED**
Talent Development Division
Workforce Development

Subject: Allocation Year (AY) 2019, Wagner-Peyser Employment Service (ES)
Funding for Michigan Works! Service Center (MWSC) Operations

Programs Affected: MWSCs

Rescissions: None

References: U.S. Department of Labor (USDOL) Training and Employment Guidance
Letter 16-18, issued April 10, 2019

PI 19-01, issued February 2, 2019

PI 19-30, issued October 25, 2019

The Workforce Innovation and Opportunity Act (WIOA) of 2014, Public Law
113-128 (29 United States Code Section 3101, *et. seq.*)

The WIOA Final Rule 20 Code of Federal Regulation Part 682, *et al.*

Background: The WIOA presents an extraordinary opportunity to improve job and career
options for our nation's workers and job seekers through an integrated,
job-driven public workforce system that links diverse talent to businesses.
The WIOA supports the development of strong, vibrant regional economies
where businesses thrive and people want to live and work. This revitalized
workforce system will be characterized by three critical hallmarks of
excellence:

(1) The needs of business and workers drive workforce solutions.

- (2) One-Stop centers provide excellent customer service to workers, job seekers and employers, and focus on continuous improvement.
- (3) The workforce system supports strong regional economies and plays an active role in community, economic, and workforce development.

The WIOA permits states to support additional workforce development activities, including activities that support and enhance the One-Stop service delivery system.

Workforce Development (WD) initially identified \$2,649,000 of AY 2019 Wagner-Peyser ES funds to be used in support of MWSC Operations. Additional funding may be allocated in the future based on need and funding availability. The allocation for each MWA was based on a formula derived from the relative size of the local area's labor force; however, the number of customers served by the service center(s) and the number of service centers in the local area, full and satellite, were taken into account in the determination of the final award.

Policy:

Service center operation funds may be used in support of all activities to improve customer service, inform and educate the public about the service centers, and upgrade facilities. Service center funding **may not** be utilized to purchase or maintain participant reporting systems or job matching systems that duplicate those provided by the state.

Local areas **may carry-forward up to 100 percent of the funds awarded in PI 19-21** from Program Year (PY) 2019 into PY 2020. **However, at least 85 percent of the funds awarded must be expended by September 30, 2020**, or the excess unspent funds may be subject to recapture by WD. The September 30th Accrued Expenditure Report, as reported in the Management of Awards to Recipients System (MARS), will be used to determine compliance with the aforementioned limitation.

The use of MWSC operations funding for local administration is not allowed.

Unexpended funds as of June 30, 2021, **will be recaptured** by the WD.

All other provisions of PI 19-21, not specifically altered by this policy change, remain unchanged and in effect.

Inquiries:

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

This policy is available for downloading from the [WD's website](#).

WD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Please contact Ms. Paula Hengesbach by telephone at 517-241-3678 or by email at HengesbachP@michigan.gov for details.

WD is funded by State and Federal funds; more details are available on the Legal Disclaimer page at www.michigan.gov/workforce.

**Expiration
Date:**

June 30, 2021

KJ:KP:ph