



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY  
LANSING

JEFF DONOFRIO  
DIRECTOR

**OFFICIAL**

**Policy Issuance (PI): 18-18, Change 1**

**Date:** June 30, 2020

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

**From:** Stephanie Beckhorn, Director **SIGNED**  
Employment and Training

**Subject:** Guidelines for Submitting Pilot or Demonstration Project Proposals

**Programs Affected:** All Programs Funded Through the Michigan Department of Labor and Economic Opportunity-Workforce Development (LEO-WD)

**Rescissions:** None

**References:** Food and Nutrition Act of 2008  
Public Act No. 491 of 2006  
Social Welfare Act  
Trade Act of 1974, as amended  
Trade Act of 2002  
Trade and Globalization Adjustment Assistance Act of 2009  
Trade Adjustment Assistance Extension Act of 2011  
Trade Adjustment Assistance Reauthorization Act of 2015  
Workforce Innovation and Opportunity Act of 2014

**Background:** Public Act No. 491 of 2006 outlines activities that MWAs may engage in to fulfill the intent of the act, including conducting pilot and demonstration projects. This policy change provides updated guidelines for the submission of pilot or demonstration project proposals.

LEO is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.  
WORKFORCE DEVELOPMENT, 201 N. WASHINGTON SQ., LANSING, MI 48913 • [www.michigan.gov/workforce](http://www.michigan.gov/workforce) • 517-335-5858

**Policy:**

In accordance with Public Act No. 491 of 2006, Section 408.129; 19(1)(c), the MWAs may propose the establishment of innovative pilot or demonstration projects for approval by the WD in order to:

1. Achieve more efficient and effective use of funds.
2. Reduce public assistance dependency.
3. Reduce unemployment.
4. Improve assessment, training, or other service delivery.
5. Support projects that meet employer needs for talent.

The MWAs will inform the WD of their intent to conduct a pilot or demonstration project. In cases where the project may reasonably be interpreted to involve policies different than those currently required by state policy for the work involved, the WD's prior approval is required before the pilot or demonstration project can be established and implemented.

The WD will not approve any proposed pilot or demonstration project that violates federal statute or state law. The pilot and demonstration projects should be developed and implemented in a manner to test the applicability of statewide implementation.

The proposal to implement a pilot or demonstration project must include:

1. A written project proposal indicating which policy(ies) are being changed, how they differ from existing policies, and a listing of all parties that will be impacted by the proposal if enacted.
2. A recommended timeframe to conduct a reasonable test of the policy or innovation being evaluated. Rationale for the recommended timeframe must be given. The department may agree to renew or extend a project for additional periods of time if such renewal or extension serves public purposes of research, innovation, or excellent service delivery.
3. An outline of the goals and objectives of the pilot or demonstration project.
4. The following criteria to describe how the pilot or demonstration will be evaluated:
  - a. Outcome Measures – The specific participant and/or administrative outcomes to be measured. Outcomes should be based on readily available data and information. The MWAs must explain how each measure relates to the pilot or demonstration project and the anticipated goals and objectives.
  - b. Data Collection – The MWAs must indicate each of the data and the data sources that will be used to monitor each of the outcome measures.

5. The MWAs must submit quarterly reports. The quarterly reports must contain all participant and/or administrative outcome measures identified in the original proposal for each reporting period.
6. The quarterly reports must also include input from those impacted by the pilot or demonstration. For example, MWA staff, service provider staff, community-based agencies, clients/customers of the program(s) being piloted, and other impacted parties in the community or state.
7. The proposal must specify who will prepare the quarterly reports. Quarterly reports will be due the 20<sup>th</sup> day following the end of each quarter.

In addition to the quarterly reports, a final report is due no later than 45 days **after** the expiration date of the pilot or demonstration project. This report must summarize project activities, including all measured outcomes identified in the original proposal, how well the goals and objectives of relevant statutes and the pilot or demonstration project were met, any related project results, identification of best practices, and whether or not the MWA seeks a renewal or extension of the project.

The required quarterly reports and the final report must be submitted to your designated state coordinator.

The quarterly reports and the final report will be evaluated, and a recommendation developed regarding the future of the pilot or demonstration project. That is, as appropriate, adoption as a statewide policy, modification before statewide implementation, or discontinuation of the pilot or demonstration.

WD staff reviewing MWA proposals will be referring to and utilizing the *Guidelines for Reviewing Pilot or Demonstration Project Proposals* criteria checklist as provided in Attachment A of this policy. The MWAs may utilize this checklist while preparing their proposal information, as applicable.

WD will provide the MWA written approval of the pilot proposal, provisional approval with appropriate qualifications, request for additional requirements not included in the proposal, or denial of the proposal.

**Action:**

The MWAs interested in implementing a pilot or demonstration project shall adhere to the requirements outlined in this policy.

Pilot or Demonstration Project Proposals are to be submitted to the *appropriate WD division* based on the specific program area request, as follows:

Mr. Joe Billig, Division Administrator  
Targeted Services Division  
Workforce Development  
201 North Washington Square, 5<sup>th</sup> Floor  
Lansing, MI 48913

**OR**

[billigj@michigan.gov](mailto:billigj@michigan.gov)

Ms. Krista Johnson, Division Administrator  
Talent Development Division  
Workforce Development  
201 North Washington Square, 5<sup>th</sup> Floor  
Lansing, MI 48913

**OR**

[johnsonk2@michigan.gov](mailto:johnsonk2@michigan.gov)

Ms. Marcia Black-Watson, Division Administrator  
Industry Engagement Division  
Workforce Development  
201 North Washington Square, 3<sup>rd</sup> Floor  
Lansing, MI 48913

**OR**

[black-watsonm@michigan.gov](mailto:black-watsonm@michigan.gov)

Quarterly reports are due the 20<sup>th</sup> day of the month following the end of the quarter. Those dates are October 20, January 20, April 20, and July 20.

The final report is due no later than 45 days after the expiration date of the pilot or demonstration project.

**Inquiries:**

Questions regarding this policy should be directed to your designated state coordinator for the program respective to which you are requesting funding.

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](mailto: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](http://www.michigan.gov/workforce).

**Expiration  
Date:**

Continuing

SB:VB:ph

**GUIDELINES FOR REVIEWING PILOT OR DEMONSTRATION PROJECT PROPOSALS  
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Date of Proposal Request: MM/DD/YYYY

Michigan Works! Agency (MWA) Name: Click or tap here to enter text.

Enter MWA Address: Address  
Address 2  
City, State, ZIP

Reviewer Name: Click or tap here to enter text.

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**MWA REQUIRED CRITERIA TO BE VERIFIED BY WORKFORCE DEVELOPMENT STAFF:**

1. In accordance with Public Act No. 491 of 2006, Section 408.129; 19(1)(c), confirms the MWA's proposal to establish an innovative pilot or demonstration project meets the criteria in order to provide ONE (or more) of the following:

- Achieve more efficient and effective use of funds.
- Reduce public assistance dependency.
- Reduce unemployment.
- Improve assessment, training, or other service delivery.
- Support projects that meet employer needs for talent. (\*\*see *additional* criteria below)

**\*\*Additional Criteria is specific to support projects that meet employer needs for talent:**

Employer Name(s): If more than one, please list

Number of workers to be assisted (per employer) through pilot/demo grant: Enter number

**IF APPLICABLE:**

Are any impacted employers Trade Adjustment Assistance (TAA)-certified? (This may allow for co-enrollment, or to ensure that the TAA funds are utilized for participants that are qualified.) Yes/No

If yes, provide TAA certification numbers: Click or tap here to enter text.

Are any of the planned participants eligible to be served with currently operating National Dislocated Worker Grants (NDWG) (formerly National Emergency Grants)? Yes/No

[If yes, participants that qualify under a NDWG may utilize NDWG funding.]

Funding availability in current and prior **DW and Adult** awards (via potential inter-title transfer *if* serving Dislocated Workers).

Current Year \$

Prior Year \$

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2. The proposal to implement a pilot or demonstration project must include:

(A) A written project proposal indicating which policy(ies) are being changed, how they differ from existing policies, and a listing of all parties that will be impacted by the proposal if enacted.

- Policy(ies) being changed/differences: Click or tap here to enter text.
- All parties impacted: Click or tap here to enter text.
- Comments/Notes: Click or tap here to enter text.

(B) A recommended timeframe to conduct a reasonable test of the policy or innovation being evaluated. Rationale for the recommended timeframe must be given. The department may agree to renew or extend a project for additional periods of time if such renewal or extension serves public purposes of research, innovation, or excellent service delivery.

- Timeframe: Click or tap here to enter text.
- Rationale: Click or tap here to enter text.
- Comments/Notes: Click or tap here to enter text.

(C) An outline of the goals and objectives of the pilot or demonstration project.

- Goals and objectives: Click or tap here to enter text.
- Comments/Notes: Click or tap here to enter text.

3. The following criteria to describe how the pilot or demonstration will be evaluated:

(A) Outcome Measures – The specific participant and/or administrative outcomes to be measured. Outcomes should be based on readily available data and information. The MWA must explain how each measure relates to the pilot or demonstration project and the anticipated goals and objectives.

- Outcomes to be measured - (Examples: participant information be reported in the One-Stop Management Information System (OSMIS), including eligibility determination, activities, status, and outcome information.): Click or tap here to enter text.
- Explanation of how each measure relates to project/goals and objectives: Yes/No
- Comments/Notes: Click or tap here to enter text.

(B) Data Collection – The MWA must indicate each of the data and the data sources that will be used to monitor each of the outcome measures.

- Data and data sources to be used indicated in proposal: Yes/No
- Data/Data sources: Click or tap here to enter text.
- Comments/Notes: Click or tap here to enter text.

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4. STRATEGIC PRIORITIES – (Pilot grant must tie to, *at a minimum*, one strategic priority. Mark all that apply to proposal):

- Equity and access for all citizens – Greater opportunities for economic mobility for state’s citizens. Closing opportunity gaps for all populations while utilizing a people-centered approach to ensure access to all programs and services available through the workforce system and partnerships.
- Driving down working poverty.
- Improved access to interim credentials that are portable and stackable, and lead to post-secondary credentials.
- Career pathway opportunities.
- Good/promising job creation – Creating pathway jobs.
- The implementation of evidence-based programs and strategies.
- Focus on serving individuals with barriers to employment, including those with a disability.
- Meeting Governor Whitmer’s statewide post-secondary education goal of 60 percent of Michigan residents completing a post-secondary certificate or degree by the year 2030.
- Placing more of Michigan’s citizens on the path to high-wage skills.
- Increased college readiness.
- Establishment of greater partnerships and collaboration.
- Focus around major industries to allow greater access to activities for in-demand occupations. This customer-centered, demand-driven approach allows streamlined efforts, reduced administrative costs, and leveraged resources to promote better employment services.

5. Funding Amount Requested (if applicable): Funding Request Amount \$

6. Plan narrative must ensure that the proposal specifies **who** from the MWA will prepare the quarterly reports:

Name of MWA Representative: [Click or tap here to enter text.](#)

7. Reviewer recommendation to approve grant based on an analysis of the MWA’s overall need versus available financial resources on hand. Yes/No

- Identify whether the MWA has a training waitlist in the Workforce Innovation and Opportunity Act (WIOA) Program (if applicable): Yes/No
- If there is a current training waitlist, how large is it? [Current Training Waitlist](#)

8. WD will provide the MWA with a written approval of the pilot proposal, provisional approval with appropriate qualifications, request for additional requirements not included in the proposal, or denial of the proposal (continued on next page).

- Approval Date/Letter: MM/DD/YYYY
- Provisional Approval Date/Letter: MM/DD/YYYY
- Request for Additional Requirements: MM/DD/YYYY
- Denial Date/Letter: MM/DD/YYYY

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**OTHER FACTORS FOR CONSIDERATION, AS APPROPRIATE:**

9. Funding availability (program area expenditures and drawdowns, i.e., *unexpended and unobligated*) in **current and prior** program year awards (via *potential* inter-title transfers for Adult and Dislocated Worker (DW); co-enrollments; provide more efficient and effective use of funds, etc.).

**WIOA Program Area – i.e., Adult/DW/Youth/TAA, etc.:** Program Name

Current Year \$

Prior Year \$

**WIOA Program Area – i.e., Adult/DW/Youth/TAA, etc.:** Program Name

Current Year \$

Prior Year \$

10. Remaining **current**-year Local Administration funding for program area. (Ensure funding is adequate to implement the pilot/demo grant, if applicable.)

Current Year \$

Program Name

11. Current and prior NDWG expenditures and enrollments (*specific* to Dislocated Worker assistance – may utilize this funding if applicable)

Current Year \$

Prior Year \$

**QUARTERLY REPORT REQUIREMENTS - REQUIRED:**

The following requirements will be done **after** the pilot or demonstration grant has been approved and first quarterly report is due:

1. Name of MWA contact who will prepare quarterly reports (see question #4):

Name: Click or tap here to enter text.

2. The MWAs must submit quarterly reports. The quarterly reports **must contain** all participant and/or administrative outcome measures identified in the original proposal for each reporting period. Quarterly reports will be **due the 20<sup>th</sup> day following the end of each quarter.**

Quarter 1 Report Received: MM/DD/YYYY

Participant/Administrative Outcome Measures Identified?: Click or tap here to enter text.

Quarter 2 Report Received: MM/DD/YYYY

Participant/Administrative Outcome Measures Identified?: Click or tap here to enter text.

Quarter 3 Report Received: MM/DD/YYYY

Participant/Administrative Outcome Measures Identified?: Click or tap here to enter text.

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Quarter 4 Report Received: MM/DD/YYYY

Participant/Administrative Outcome Measures Identified?: Click or tap here to enter text.

3. The quarterly reports must also include input from those impacted by the pilot or demonstration. For example, MWA staff, service provider staff, community-based agencies, clients/customers of the program(s) being piloted, and other impacted parties in the community or state.

Quarter 1 - Input from those Impacted?: Click or tap here to enter text.

Quarter 2 - Input from those Impacted?: Click or tap here to enter text.

Quarter 3 - Input from those Impacted?: Click or tap here to enter text.

Quarter 4 - Input from those Impacted?: Click or tap here to enter text.

**FINAL REPORT - REQUIRED:**

Final report is due no later than 45 days after the expiration date of the pilot or demonstration project. This report must summarize project activities, including all measured outcomes identified in the original proposal, how well the goals and objectives of relevant statutes and the pilot or demonstration project were met, any related project results, identification of best practices, and whether or not the MWA seeks a renewal or extension of the project. The required quarterly reports and the final report must be submitted to your designated state coordinator.

Final Report Received: MM/DD/YYYY

The quarterly reports and the final report will be evaluated, and a recommendation developed regarding the future of the pilot or demonstration project. That is, as appropriate, adoption as a statewide policy, modification before statewide implementation, or discontinuation of the pilot or demonstration.

Recommendation: Click or tap here to enter text.