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E-mailed: 07/19/13 (pv)

**Workforce Development Agency, State of Michigan (WDASOM)**  
**Policy Issuance (PI): 12-36, Change 1**

**Date:** July 19, 2013

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

**From:** Gary Clark, Director, Office of Talent Development Services  
Workforce Development Agency, State of Michigan  
**SIGNED**

**Subject:** Program Year (PY) 2013 Employment Service Performance Measures

**Programs Affected:** Wagner-Peyser - Employment Service

**Rescissions:** None

**References:** Wagner-Peyser Act of 1933, as amended by the Workforce Investment Act (WIA) of 1998  
5 CFR, Section 900.603, revised January 1, 2009  
WDA PI: 11-11, Employment Service Manual  
WDA PI: 11-34, Change 3  
WDA PI: 12-36, Employment Services Plan Instructions

**Background:** The federal Wagner-Peyser Act of 1933 provided for the establishment of a nationwide labor exchange system, known as the Employment Service (ES). The Act was amended by the Workforce Investment Act of 1998 to make the ES part of the one-stop service delivery system. The ES focuses on a variety of employment-related labor exchange services including job search assistance, assessment, job referral, and placement of job seekers; re-employment services to unemployment insurance claimants; and recruitment services for employers.



**Workforce Development Agency, State of Michigan**

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**Policy:**

The State of Michigan has negotiated the PY 2013 Wagner-Peyser performance measures for Employment Services. This policy notifies the MWA's of the revised expected performance goals for the Employment Services for PY 2013.

**MERIT-BASED WAGNER-PEYSER ES PROVIDERS**

MWAs must competitively select and contract with one or more merit-staffed public organizations to provide Wagner-Peyser ES, affording due process and appeal rights. Standards for a merit system of personnel may be found at federal regulation 5 CFR 900.603, available at:

[http://edocket.access.gpo.gov/cfr\\_2009/janqtr/5cfr900.603.htm](http://edocket.access.gpo.gov/cfr_2009/janqtr/5cfr900.603.htm).

All MWA Wagner-Peyser ES providers must be a unit of the State of Michigan, a local unit of government, special purpose unit of government, school district, intermediate school district, public community college, or public university. MWAs shall not use a competitive selection process that excludes or penalizes bids or proposals submitted by, or contracts with, the WDASOM for employment services.

MWAs must hold their merit-staffed Wagner-Peyser ES providers responsible to the standards for a merit system of personnel described in 5 CFR 900.603.

MWAs must maintain on file a certification from each ES provider confirming that the provider will deliver employment services in conformance with the merit staffing standards described in 5 CFR 900.603. This documentation must be made available to the Michigan Strategic Fund-Workforce Development Agency and/or the federal Office of Personnel Management if requested.

MWAs may self-deliver the Wagner-Peyser ES program if approved to do so by the WDA through the processes and procedures detailed in WDA PI 11-13.

**PERFORMANCE MEASURES**

The following performance measures will be tracked in the One-Stop Management Information System (OSMIS) for Wagner-Peyser ES programs: entered Employment, Retained Employment, and Average Earnings.

These three measures are defined as follows:

- **Entered Employment**

*Of those who are not employed at the date of participation:*

*The number of adult participants who are employed in the first quarter after the exit quarter, divided by the number of adult participants who exit during the quarter.*

This measure provides an assessment of program impact on increasing employment for those who were unemployed. Individuals who are employed at the date of participation are excluded from this measure. Individuals who, although employed at the date of participation, have either received a notice of termination of employment, have been issued a notice from their employer that the facility or enterprise will close, or who are currently on active military duty and have been provided with a date of separation from military service, are considered not employed and are included in the measure.

- **Retained Employment**

*Of those who are employed in the first quarter after the exit quarter:*

*The number of adult participants who are employed in both the second and third quarters after the exit quarter, divided by the number of adult participants who exit during the quarter.*

By defining a positive outcome as employment in the first, second, and third quarters after the quarter of exit, this measure approximates retention for at least six months following program participation. Individuals who are not employed in the first quarter after the exit quarter are excluded from this measure. A positive outcome on the retention measure does not necessarily indicate continuous employment with the same employer.

- **Average Earnings**

*Of those adult participants who are employed in the first, second, and third quarters after the exit quarter:*

*Total earnings in the second and third quarters after the exit quarter, divided by the number of adult participants who exit during the quarter.*

MWAs are expected to use the levels below as performance goals for their ES programs for PY 2013:

**Entered Employment:** 54.1 percent

**Retained Employment:** 79 percent

**Average Earnings:** \$13,800 for the six month period measured

**Action:** MWA officials shall take the appropriate actions necessary to implement the directives of this policy issuance.

**Inquiries:** Questions regarding this policy should be directed to the MWA's Welfare Reform/Wagner-Peyser, State Coordinator at (517) 373-6234.

In accordance with the Americans with Disabilities Act, the information contained in this policy will be made available in alternative format (large type, audio tape, etc.) upon request to this office.

**Expiration**

**Date:** June 30, 2014

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