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OFFICIAL

Workforce Development Agency (WDA)

Policy Issuance (PI): 13-01

E-mailed: 6/05/2013 (tk)

Date: July 1, 2013

To: Michigan Works! Agency (MWA) Directors

From: Gary Clark, Director, Office of Talent Development Services
Workforce Development Agency

Subject: Workforce Investment Act (WIA) Adult, Dislocated Worker (DW), and Youth Program Allocations for Program Year (PY) 2013, July 1, 2013 through June 30, 2014

Programs Affected: WIA Adult, DW, and Youth Programs Administered by the MWAs

Rescissions: None

References: U.S. Department of Labor (USDOL), Training and Employment Guidance Letter (TEGL) 25-12, issued May 1, 2013

WDASOM Michigan Industry Cluster Approach (MICA) Guidelines, issued July 26, 2012

WDASOM PI 12-19, issued October 15, 2012

WDASOM PI 12-22, issued December 11, 2012

WDASOM PI 12-29, issued March 5, 2013

The WIA Act of 1998

WIA Final Rule 20 CFR Part 652, et al.

Background: WIA funds are allocated by formula to MWAs in support of Adult, DW, and Youth workforce investment activities.



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Policy:

This policy issuance distributes WIA Adult, DW, and Youth funding for PY 2013.

- **July Adult and DW awards, along with the entire Youth award, are final allocations**
- **October Adult and DW awards are for planning purposes only. Finalized awards will be confirmed upon approval of the USDOL Fiscal Year (FY) 2014 Budget. These awards are subject to modification if the USDOL budget increases the state level set-aside to an amount greater than five percent.**
- Funding for local administration is limited to ten (10) percent of the allocation for each program.
- Funding awarded in this policy issuance is subject to a carry-forward limitation of 30 percent of the allocation for each funding source into PY 2014. The June 30th Accrued Expenditure Report, as reported in Management of Awards to Recipient System (MARS), will be used to determine the percentage of carry-in funds.
- Per federal law, MWAs must ensure that a minimum of 80 percent of local PY 2013 WIA Adult, DW, and Youth allocations are obligated by June 30, 2014. MWAs with obligations below the required 80 percent threshold are subject to the recapture of funding.
- WIA funding must be expended using the first-in, first-out accounting method.

MWAs may transfer up to 30 percent of funding between the Adult and DW funding streams. MWAs may request an increase in percentage of transferable funds up to 50 percent via a waiver request, per WDA Policy Issuance 13-04.

Youth Requirements

As prescribed by the WIA, MWAs must ensure that, at a minimum, 30 percent of youth funds awarded in this policy are used to provide youth activities to out-of-school youth. MWAs who fail to meet the minimum requirement may be subject to disallowed costs.

MWAs are required to offer summer youth employment opportunities that link academic and occupational learning as part of the menu of services required by the WIA.

The summer youth employment activity is not a stand-alone program. MWAs must integrate a youth's participation in summer employment into a comprehensive strategy for addressing the youth's employment and training needs. Youth participating in summer employment opportunities must be provided with a minimum of 12 months of follow-up services.

MWAs may determine how much of available youth funds will be spent on summer employment activities. Summer employment activities expenditures are required and must be included as incurred in quarterly and year-end expenditure reports.

When a youth is enrolled as an out-of-school youth, he/she maintains that designation, regardless of any new enrollment in education, until the youth is exited from WIA participation.

Demand Driven Strategy

It is the expectation of the WDA that WIA funds are used in support of a demand-driven system. Locally defined priority industries must be identified by local Workforce Development Boards and appropriate services developed and provided based upon input received from employers and other key partners. Additional demand-driven guidance may be found in the WDA MICA Guidelines.

Where appropriate, MWAs shall use regular WIA formula funding in support of administering the three core WorkKeys assessments and the Michigan National Career Readiness Certificate (NCRC) for program participants.

The Adult and DW formula funding allocations provided in this policy issuance are presented as a total of two separate amounts, based on actual availability of funding. For the period of July 1 through September 30, 2013, MWAs **may not** incur Adult and DW obligations or expenditures in excess of the July 1, 2013 apportionment.

Allowable WIA Costs and Expenditures

In general, to be an allowable WIA expenditure, a cost must meet the following principles:

- Be necessary and reasonable for the performance of the award
- Be allocable to the grant
- Be authorized and not prohibited under federal, state, or local laws or regulations
- Receive consistent treatment by the sub-recipient
- Not be used to meet federal matching
- Be adequately documented
- Conform to federal Employment and Training Administration grant exclusions and limitations

Expenditures of WIA funds are allowable only for those activities permitted by the WIA guidelines or federal regulations. Allowable

program activities include core, intensive, and training services as described in Section 134(d)(2), (3), and (4). Additional guidance regarding supportive services payments is also provided in Section 134(e)(2) and (3). The WIA Section 129 details the allowable and unallowable activities for the youth program.

Allowable Service and Activity Expenditures

1. Core Services: Services including outreach, job search and placement assistance, and labor market information available to all job seekers. Core services are available to individuals who are adults or dislocated workers through the one-stop delivery system. Core services, at a minimum, include:
 - A. determinations of whether the individual is eligible to receive assistance under this subtitle;
 - B. outreach, intake (which may include worker profiling), and orientation to the information and other services available through the one-stop delivery system;
 - C. initial assessment of skill levels, aptitudes, abilities, and supportive service needs;
 - D. job search and placement assistance, and where appropriate, career counseling;
 - E. provision of employment statistics information, including the provisions of accurate information relating to local, regional, and national labor market areas, including -
 - i. job vacancy listings in such labor market areas;
 - ii. information on job skills necessary to obtain the jobs described in clause (i); and
 - iii. information relating to local occupations in demand and the earnings and skill requirements for such occupations;
 - F. provision of performance information and program cost information on eligible providers of training services as described in Section 122, provided by program, and eligible providers of youth activities described in Section 123, providers of adult education described in Title II, providers of postsecondary vocational education activities and vocational education activities available to school dropouts under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.), and providers of vocational rehabilitation program activities described in Title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.);
 - G. provision of information regarding how the local area is performing on the local performance measures and any additional performance information with respect to the one-stop delivery system in the local area

- H. provision of accurate information relating to the availability of supportive services, including child care and transportation, available in the local area, and referral to such services, as appropriate;
 - I. provision of information regarding filing claims for unemployment compensation;
 - J. assistance in establishing eligibility for -
 - i. welfare-to-work activities authorized under section 403(a)(5) of the Social Security Act (as added by Section 5001 of the Balanced Budget Act of 1997) available in the local area; and
 - ii. programs of financial aid assistance for training and education programs that are not funded under this Act and are available in the local area; and
 - K. follow-up services, including counseling regarding the workplace, for participants in workforce investment activities authorized under this subtitle who are placed in unsubsidized employment, for not less than 12 months after the first day of the employment, as appropriate.
2. Intensive Services: Services that include more comprehensive assessments, development of individual employment plans, and counseling and career planning.
- A. Intensive services are available to adults and dislocated workers respectively who-
 - i. are unemployed and are unable to obtain employment through core services provided; and
 - ii. have been determined by a one-stop operator to be in need of more intensive services in order to obtain employment; or
 - iii. are employed, but who are determined by a one-stop operator to be in need of such intensive services in order to obtain or retain employment that allows for self-sufficiency.
 - B. Such intensive services shall be provided through the one-stop delivery system -
 - i. directly through one-stop operators identified pursuant to Section 121(d); or
 - ii. through contracts with service providers, which may include contracts with public, private for-profit, and private nonprofit service providers, approved by the local board.
 - C. Such intensive services may include the following:
 - i. comprehensive and specialized assessments of the skill levels and service needs of adults and dislocated workers, which may include -
 - 1. diagnostic testing and use of other assessment tools; and

- 2. in-depth interviewing and evaluation to identify employment goals;
 - ii. development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to achieve the employment goals;
 - iii. group counseling;
 - iv. individual counseling and career planning;
 - v. case management for participants seeking training services; and
 - vi. short-term pre-vocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct to prepare individuals for unsubsidized employment or training.
3. Training Services: Services that link customers to job opportunities in their communities, including both occupational training and training in basic skills. Participants use an "individual training account" to select an appropriate training program from a qualified training provider.
- A. Training services are available to adults and dislocated workers respectfully who-
 - i. have met the eligibility requirements for intensive services and who are unable to obtain or retain employment through such services;
 - ii. after an interview, evaluation, or assessment, and case management, have been determined by a one-stop operator or one-stop partner, as appropriate, to be in need of training services and to have skills and qualifications to successfully participate in the selected program of training services;
 - iii. select programs of training services that are directly linked to the employment opportunities in the local area involved or in another area in which the adults or dislocated workers receiving such services are willing to relocate;
 - iv. are qualified under WIA federal regulations Section 134(d)(4)(B); and
 - v. are determined to be eligible in accordance with the priority system, if any, in effect under Section 134(d)(4)(E).
 - B. Qualification for training services -
 - i. provisions of such training services shall be limited to individuals who -
 - 1. are unable to obtain other grant assistance for such services, including Federal Pell Grants established under

2. Title IV of the Higher Education Act of 1965 (20 U.S.C.1070 et seq.); or
 3. require assistance beyond the assistance made available under other grant assistance programs, including Federal Pell Grants.
 - ii. reimbursements - Training services may be provided under this paragraph to an individual who otherwise meets the requirements of this paragraph while an application for a Federal Pell Grant is pending, except that if such individual is subsequently awarded a Federal Pell Grant, appropriate reimbursement shall be made to the local area from such Federal Pell Grant.
- C. Training services shall be provided through providers identified in accordance with Section 122 of the Federal WIA Regulations.
- D. Such training services may include:
- i. occupational skills training, including training for nontraditional employment;
 - ii. on-the-job training;
 - iii. programs that combine workplace training with related instruction, which may include cooperative education programs;
 - iv. training programs operated by the private sector;
 - v. skill upgrading and retraining;
 - vi. entrepreneurial training;
 - vii. job readiness training;
 - viii. adult education and literacy activities provided in combination with services described in any of the clauses (i) through (vii); and
 - ix. customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.
4. Supportive Services: Services such as transportation, childcare, dependent care, housing, and needs-related payments are provided under certain circumstances to allow an individual to participate in the program. (Funds used for supportive services and needs-related payments are contingent on the local MWA policy.)
- A. Funds may be used to provide supportive services to adults and dislocated workers, respectfully who -
- i. are participating in programs with activities authorized in any core, intensive, or training services; and
 - ii. are unable to obtain such supportive services through other

iii. programs providing such services.

5. Youth Services: Youth programs service eligible low-income youth, ages 14-21, who face barriers to employment. Service strategies, developed by workforce providers, prepare youth for employment and/or post-secondary education through strong linkages between academic and occupational learning. Local communities provide youth activities and services in partnership with the WIA One-Stop Career Center System and under the direction of local Workforce Investment Boards.

Funds shall be used to carry out, for eligible youth, programs that -

- A. Provide an objective assessment of the academic levels, skill levels, and service needs of each participant, which assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes, supportive service needs, and developmental needs of such participant;
- B. Develop service strategies for each participant that shall identify an employment goal (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for the participant;
- C. Provide:
 - i. preparation for postsecondary educational opportunities, in appropriate cases;
 - ii. strong linkages between academic and occupational learning;
 - iii. preparation for unsubsidized employment opportunities, in appropriate cases; and
 - iv. effective connections to intermediaries with strong links to -
 - 1. the job market; and
 - 2. local and regional employers.
- D. Provide elements consisting of:
 - i. tutoring, study skills training, and instruction, leading to completion of secondary school, including dropout prevention strategies;
 - ii. alternative secondary school services, as appropriate;
 - iii. summer employment opportunities that are directly linked to academic and occupational learning;
 - iv. as appropriate, paid and unpaid work experiences, including internships and job shadowing;
 - v. occupational skill training, as appropriate;
 - vi. leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive social behaviors during non-

school hours, as appropriate;

- vii. supportive services;
 - viii. adult mentoring for the period of participation and a subsequent period, for a total of not less than 12 months;
 - ix. follow-up services for not less than 12 months after the completion of participation, as appropriate; and
 - x. comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral, as appropriate.
6. Administrative Costs: Costs associated with performing the activities or functions listed in the regulations and ones that are not related to the direct provision of workforce investment services.
- A. Accounting, financial, cash management, budget activities, procurement, personnel, payroll, property management, audit, and general legal services functions are administrative in nature, as are coordinating the resolution of findings arising from audits, reviews, investigations, and incident reports and developing systems and procedures, including information systems, required for these administrative functions.
 - B. Oversight and monitoring activities are classified depending on whether the activity being monitored is administrative or programmatic in nature.
 - C. The costs of supplies and equipment used for administrative functions or activities and the cost of staff that perform and/or supervise administrative functions or activities are considered administrative costs.

Profit:

Please refer to the WDASOM Procurement Policy, PI 12-29, issued March 5, 2013, or any policy replacing WDASOM PI 12-29, for further information regarding profit and corresponding limitations.

Action:

The MWAs are required to submit a Budget Information Summary for each of the WIA programs listed in this policy issuance within 30 days from the issue date of this policy to Ms. Teresa Keyton at keytont@michigan.gov. Please copy your designated WIA state coordinator on the email submission.

The MWAs are also required to submit one Approval Request form, with original signatures from the Chief Elected Officials, Workforce Development Board Chairs, or their designees, in accordance with WDASOM PI 12-22, within 30 days from the issue date of this policy to:

Workforce Development Agency
Victor Office Center
201 North Washington Square, 5th Floor
Lansing, MI 48913

The WDASOM will issue two separate Grant Action Notices (GANs) for the WIA Adult and Dislocated Worker program allocations. The first GAN will be effective July 1, 2013, and will award MWAs a portion of their total allocation. The second GAN will be effective October 1, 2013, and will award the remainder of the program year allocation.

The WDA will issue one GAN for the total PY 2013 WIA Youth program allocation, effective July 1, 2013.

Fiscal Information

The MWA will process all cash requests through MARS in accordance with the MARS Manual. The MWA must have on file appropriate documentation to support each cash draw.

The U.S. Department of Labor, 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 WDA on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due to WDA no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to 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) 335-5858, 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. Keyton at (517) 335-5858, for details.

Expiration

Date:

June 30, 2015

GC:CM:tk

Plan/Modification Approval Request Instructions

1. Michigan Works! Agency (MWA): Enter the name of the MWA.
2. MWA Number: Enter the number assigned to the MWA.
3. Plan Title: Enter the appropriate title(s) for the plan being submitted.
4. Policy Issuance Number: Enter the Policy Issuance number that the Approval Request covers.
5. Program Period: Identify the program period covered by this plan.

The required signatories are designated in accordance with the Michigan Department of Labor & Economic Growth/Bureau of Workforce Programs PI 07-13, issued August 29, 2007. Signatures are required from the Workforce Development Board Chair and the Chief Elected Official(s).

APPROVAL REQUEST

1. Michigan Works! Agency (MWA):	2. MWA Number:
3. Plan Title(s): WIA Adult, DW, and Youth Program Allocations for PY 2013	
4. Policy Issuance Number: 13-01	5. Plan Period: July 1, 2013- June 30, 2015

THE CHIEF ELECTED OFFICIAL (S) AND WORKFORCE DEVELOPMENT BOARD (WDB)
HEREBY REQUEST APPROVAL OF THIS DOCUMENT

Authorized Chief Elected Official	Date
Authorized Chief Elected Official	Date
Authorized Chief Elected Official	Date
WDB Chairperson	Date

BWT-344 (5/09)

The Workforce Development Agency, State of Michigan, 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.

Budget Information Summary (BIS) 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., 07/01/12 to 06/30/13.
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: WIA	4. Policy Issuance Number: 13-01
5. Plan Period: July 1, 2013 – June 30, 2015	6. Grant Name:
7. Project Name:	

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, State of Michigan, 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.

WIA Adult Allocations

PY 2013 (July 1, 2013 - June 30, 2014)

Michigan Works! Agency	7/1/2013 Allocation (\$)	10/1/2013 Allocation (\$)	Total Allocation (\$)
ACSET	31,327	1,538,272	1,569,599
Berrien/Cass/Van Buren	16,264	798,611	814,875
Calhoun ISD	11,749	576,939	588,688
Capital Area	20,894	1,025,975	1,046,869
Career Alliance	29,225	1,435,067	1,464,292
Central Area	14,958	734,470	749,428
Detroit ESC	98,234	4,823,677	4,921,911
Eastern U.P.	4,653	228,491	233,144
Great Lakes Bay	20,682	1,015,569	1,036,251
Job Force Board	11,618	570,482	582,100
Kalamazoo-St. Joseph	14,264	700,430	714,694
Livingston County	7,696	377,906	385,602
Macomb/St. Clair	57,963	2,846,204	2,904,167
Muskegon County	13,380	657,008	670,388
Northeast	9,871	484,679	494,550
Northwest	18,112	889,382	907,494
Oakland County	58,015	2,848,782	2,906,797
Ottawa County	9,530	467,982	477,512
Region 7B	10,348	508,124	518,472
South Central	17,998	883,785	901,783
SEMCA	45,839	2,250,874	2,296,713
Thumb Area	14,102	692,443	706,545
Washtenaw County	11,538	566,573	578,111
West Central	9,408	461,942	471,350
Western U.P.	5,731	281,399	287,130
MWA Total	563,399	27,665,066	28,228,465

WDA May 2, 2013

WIA Dislocated Worker Allocations

PY 2013 (July 1, 2013 - June 30, 2014)

Michigan Works! Agency	7/1/2013 Allocation (\$)	10/1/2013 Allocation (\$)	Total Allocation (\$)
ACSET	152,631	1,118,606	1,271,237
Berrien/Cass/Van Buren	84,914	622,320	707,234
Calhoun ISD	56,727	415,740	472,467
Capital Area	105,388	772,363	877,751
Career Alliance	141,516	1,037,146	1,178,662
Central Area	75,268	551,627	626,895
City of Detroit	436,594	3,199,716	3,636,310
Eastern U.P.	19,885	145,732	165,617
Great Lakes Bay	106,239	778,602	884,841
Job Force Board	42,522	311,636	354,158
Kalamazoo-St. Joseph	74,522	546,156	620,678
Livingston County	42,250	309,645	351,895
Macomb/St. Clair	315,921	2,315,326	2,631,247
Muskegon County	58,533	428,972	487,505
Northeast	52,584	385,376	437,960
Northwest	91,439	670,134	761,573
Oakland County	324,686	2,379,563	2,704,249
Ottawa County	51,340	376,263	427,603
Region 7B	48,688	356,822	405,510
South Central	79,819	584,980	664,799
SEMCA	285,442	2,091,947	2,377,389
Thumb Area	78,737	577,045	655,782
Washtenaw County	61,001	447,066	508,067
West Central	50,822	372,468	423,290
Western U.P.	28,966	212,288	241,254
MWA Total	2,866,434	21,007,539	23,873,973

WDA June 3, 2013

WIA Youth Allocation

PY 2013 (July 1, 2013 - June 30, 2014)

Michigan Works! Agency	Allocation (\$)
ACSET	1,742,243
Berrien/Cass/Van Buren	828,865
Calhoun ISD	563,796
Capital Area	1,519,583
Career Alliance	1,497,019
Central Area	990,654
Detroit ESC	5,115,920
Eastern U.P.	256,233
Great Lakes Bay	1,111,790
Job Force Board	584,418
Kalamazoo-St. Joseph	1,016,922
Livingston County	383,687
Macomb/St. Clair	2,940,019
Muskegon County	651,477
Northeast	545,125
Northwest	918,220
Oakland County	2,891,756
Ottawa County	655,167
Region 7B	475,661
South Central	906,454
SEMCA	2,133,888
Thumb Area	712,410
Washtenaw County	1,008,732
West Central	560,144
Western U.P.	305,828
MWA Total	30,316,011

WDA May 2, 2013