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**Workforce Development Agency (WDA)**  
**Policy Issuance (PI): 13-33 Change 1**

E-mailed: 10/06/2014 (pv)

**Date:** October 6, 2014

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

**From:** Gary Clark, Director, Office of Talent Development Services  
Workforce Development Agency (WDA)  
**SIGNED**

**Subject:** Trade Adjustment Assistance (TAA) Funds Management

**Programs Affected:** Trade Adjustment Assistance (TAA) of 2002  
Trade and Globalization Adjustment Assistance Act (TGAAA) of 2009  
Trade Adjustment Assistance Extension Act (TAAEA) of 2011  
Trade Adjustment Assistance Reversion 2014

**Rescissions:** None

**References:** Trade Act of 1974, Public Law (PL) 93-618, as amended  
Trade Act of 2002, PL 107-210  
The Trade and Globalization Adjustment Assistance Act (TGAAA) of 2009 (Division B, Title I, Subtitle I of the American Recovery and Reinvestment Act [ARRA] of 2009, PL No. 111-520 Code of Federal Regulations [CFR] Part 617)



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Trade Adjustment Assistance Extension Act (TAAEA) of 2011  
PL 112-40

U.S. Department of Labor (USDOL), Training and Employment Guidance Letters (TEGLs) No. 11-02, 22-08, 10-11 and subsequent changes, 13-11, 31-12 and 7-13

WDA PI 13-27, issued March 26, 2013

WDA PI 11-23, issued March 12, 2012

Bureau of Workforce Transformation (BWT) PI 09-21, issued November 23, 2009

Bureau of Workforce Programs (BWP) PI 07-18, Change 2, issued December 22, 2008

**Background:**

This policy issuance encompasses all Trade Act funds management requirements. This policy issuance awards TAA Case Management funding for Fiscal Year (FY) 2015 (October 1, 2014 – September 30, 2015).

**Policy:**

Administrative and Case Management Funds

The TGAAA of 2009 and TAAEA of 2011 require states to provide Case Management Services to adversely effected workers and designate funds for that purpose.

Allowable Case Management activities include: Comprehensive Assessments, Individual Service Strategies, Training Information, Financial Aid Information, Employability Skills, Career Counseling, Labor Market Information, and Supportive Service Information.

The following are additional allowable Case Management activities for TGAAA of 2009 and TAAEA of 2011:

- Staff time spent conducting TAA program monitoring/auditing of 2009 and 2011 participants.
- Staff time spent on participant data-entry into the One-Stop Management Information System (including entry of case notes) for 2009 or 2011 participants.
- Staff time spent on Benchmarking for 2009 or 2011 participants.

- Staff time spent on the development and tracking of training plans (including verifying satisfactory participation) for 2009 or 2011 participants.
- Staff time spent on the removal of employment barriers for 2009 or 2011 participants.
- Staff time spent on issuing, continuing, and extending Waivers from Training for 2009 or 2011 participants.
- Costs associated with training of TAA and non-TAA staff on the TAA program, including activities and services available to TAA participants.
- Case management tools and equipment (including electronic equipment) that would benefit 2009 and 2011 participants.
- Rent and utilities for the support of TAA staff.

**Note:** In cases where costs may be applied to one or more funding source, the MWA must charge costs in accordance with their existing policy which requires consistent treatment across programs, as well as adherence to the period of performance in which the funds were authorized.

Case Management funds made available under this policy may not be used to support reemployment services for participants certified under the TAA of 2002 or Reversion 2014. Workforce Investment Act (WIA) and/or Wagner-Peyser funds must be utilized to support reemployment services for participants certified under the Trade Act of 2002 or Reversion 2014.

This Policy Issuance allows MWAs to determine locally the amount of funding to be utilized in support of allowable Case Management activities for eligible participants under the TGAAA of 2009 or TAAEA of 2011. Additionally, up to 5 percent of total programmatic expenditures (Classroom Training, Travel and Subsistence, Employer-Based Training, Job Search Allowances and Relocation Allowances) may be used to support local administration. It is prohibited to take administrative funds from the expenditure of Case Management funds.

Funding for administrative costs related to the Trade Act of 2002 and Reversion 2014 programs are limited to a maximum of 5 percent of total programmatic expenditures (Classroom Training, Travel and Subsistence, Employer-Based Training, Job Search Allowances and Relocation Allowances).

### Cash Requests/Expenditure Reporting

MWAs must process and access all Case Management cash requests, including Case Management funding requests, through the Management of Awards to Recipients System (MARS) in accordance with the MARS Manual. The MWA must maintain appropriate documentation to support each cash draw.

All reporting of fiscal expenditures of the funds provided through this grant must be reported to the WDA on a quarterly basis. All quarterly financial expenditure reports are due to the WDA no later than the 20<sup>th</sup> calendar day after the end of the months of January, April, July, and October.

To properly monitor funds, the MARS system has been modified to allow MWAs to categorize appropriate expenditures according to applicable law. Expenditures will be separated according to TAA of 2002, TGAAA of 2009/TAAEA of 2011, and Reversion 2014 to distinguish funds utilized for case management and administrative costs.

### Funding

Beginning with FY 2014, WDA will award Case Management funds in MARS to each MWA under the grant "Trade Adjustment Assistance 2009/2011" (based on active TGAAA of 2009 and TAAEA of 2011 participants). MWA Case Management funding awards were calculated by determining the number of active TGAAA of 2009 and TAAEA of 2011 participants and multiplying by an average amount of Case Management funds to be expended per participant annually. The individual FY 2015 Case Management MWA awards are included as Attachment A to this Policy Issuance. A Grant Action Notice is not necessary to access the funding.

In the MARS, TAA of 2002 expenditures shall be reported under:

**Grant** - Trade Adjustment Assistance 2002

**Project** - Trade 2002

**Note:** Specific cost categories that are available include Administration, Job Search Allowances, Relocation Allowances, and Training.

TAAEA of 2011 and/or TGAAA of 2009 expenditures shall be reported under:

**Grant** - Trade Adjustment Assistance 2009/2011

**Project** - Trade 2009/2011

**Note:** Specific cost categories that are available include Administration, Job Search Allowances, Relocation Allowances, and Training.

Reversion 2014 expenditures shall be reported under:

**Grant** – Trade  
**Project** – Trade Reversion 2014

**Note:** Specific cost categories that are available include Administration, Job Search Allowances, Relocation Allowances, and Training.

In the MARS, Case Management expenditures shall be reported under:

**Grant** - Trade Adjustment Assistance 2009/2011  
**Project** – Case Management

MWAs may request additional TAA funds for a FY, if the MARS awards are exceeded, by contacting Ms. Tammy Flynn, TAA Manager, by e-mail at [flynnt@michigan.gov](mailto:flynnt@michigan.gov) or by phone at (517) 335-4267.

Submit reports to the MARS system at:  
<http://www.michigan.deleg-mars.org/>.

Please refer to WDA Policy Issuance 12-29, issued March 5, 2013, and policy replacing WDA Policy Issuance 12-29, for information regarding profit and corresponding limitations.

#### Maximize Funding

To maximize WIA Dislocated Worker funding, MWAs should continually evaluate WIA Dislocated Worker training participants to ensure TAA-eligible individuals are funded by TAA, when appropriate. The WDA encourages continual dual-enrollment of TAA participants into the WIA programs.

#### Debit Card Option

The WDA's preferred method of payment for all TAA classroom training is the debit card system. Accurate expenditure reporting is imperative for the success of the TAA program. However, on October 1, 2012, a policy was instituted regarding the use of debit cards as an optional method of payment for TAA approved training costs.

If MWAs cease their debit card system, the MWAs must use acceptable source documentation for utilizing alternative payment methods for classroom training. Documentation shall include, at a minimum:

1. Detailed transaction history,
2. Proof of payment to training institution, and
3. Payment agreement.

Reimbursements for dropped or discontinued training should continue to be processed using locally developed policies.

MWAs shall continue to maintain all backup documentation for the preferred payment method, such as computer printouts, ledger sheets, etc. In lieu of a Training Contract form, the WDA will accept the Training Agreement Form (BWT-336). If MWA officials choose to create their own local training form, MWAs must ensure the signature of the participant, representative(s) from the training institution, and MWA representative(s) are included on the form.

#### Training Cap Waivers

Effective September 16, 2013, the WDA eliminated the state training cap waiver for TAA participants. No waiver requests are necessary when participants have training costs above \$15,000. However, the MWA must continue to assist TAA customers in choosing training that is available at a reasonable cost.

In approving training, the following must be considered (from 20 CFR 617.22):

“Available at a reasonable cost means that training may not be approved at one provider when, all costs being considered, training substantially similar in quality, content and results can be obtained from another provider at a lower total cost within a similar time frame. It also means that training may not be approved when the costs of the training are unreasonably high in comparison with the average costs of training other workers in similar occupations at other providers.”

“In determining whether the costs of a particular training program are reasonable, first consideration must be given to the lowest cost training which is available within the commuting area. When training, substantially similar in quality, content and results, is offered at more than one training provider, the lowest cost training shall be approved.”

Justification for the training program approved must be included in the case file (including training institution cost comparisons). If a training program is chosen at a higher cost than other similar training programs, justification must be contained in the case file explaining why the program was approved.

Residency

The Trade Act does not stipulate restrictions due to residency or any residency requirement. It is the expectation of the WDA that all eligible participants will receive services in the geographic area in which they apply.

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

**Inquiries:** Questions regarding this policy issuance should be directed to Ms. Tammy Flynn, TAA Manager, by e-mail at [flynnt@michigan.gov](mailto:flynnt@michigan.gov) or by phone at (517) 335-4267.

This policy issuance is available from the Internet system at [http://web.michworks.org/OWD/index\\_owd.htm](http://web.michworks.org/OWD/index_owd.htm). 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.

**Expiration Date:** Continuing

GC:TF:pv  
Attachment

## TAA Case Management Awards

FY 2015 (October 1, 2014 - September 30, 2015)

Michigan Works! Agency	(\$)
Kent-Allegan-Barry	884,000
Berrien/Cass/Van Buren	260,000
Capital Area	88,000
Central Area	84,000
Detroit Emp Solutions	584,000
Eastern U.P.	0
Genesee/Shiawassee	360,000
Great Lakes Bay	538,000
Job Force Board	22,000
Upjohn 4 County	266,000
Livingston County	112,000
Macomb/St. Clair	1,030,000
Muskegon County	42,000
Northeast	2,000
Northwest	158,000
Oakland County	1,138,000
Ottawa County	20,000
Region 7B	22,000
South Central	98,000
SEMCA	374,000
Thumb Area	18,000
Washtenaw County	280,000
West Central	118,000
Western U.P.	24,000
MWA Total	6,522,000

WDA September 17, 2014