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Workforce Development Agency (WDA)

Policy Issuance (PI): 14-04

E-mailed: 8/21/2014 (cg)

Date: August 21, 2014

To: Michigan Works! Agency (MWA) Directors

From: Stephanie Beckhorn, Director **SIGNED**
Office of Workforce Policy and Strategic Planning

Subject: Job Driven (JD) National Emergency Grant (NEG) #2622

Programs Affected: Workforce Investment Act (WIA) Dislocated Worker (DW)

References: PI 12-19, issued October 15, 2012
PI 12-23, issued December 12, 2012
PI 13-21, issued February 21, 2014
Workforce Investment Act (WIA)
WIA Regulations at 20 CFR Parts 663 and 671
U.S. Department of Labor (USDOL) Training and Employment Guidance Letter (TEGL) 4-10, issued August 6, 2010
USDOL TEGL 16-12, issued March 7, 2013
USDOL Training and Employment Notice (TEN) 29-13, issued April 28, 2014

Rescissions: None



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Background:

A demand-driven workforce system is the State of Michigan's primary workforce development strategy. Local strategic plans and service delivery must support and align with a demand-driven system. Locally defined priority industries must be identified by local Workforce Development Boards (WDBs), and appropriate services developed and provided based upon recommendations received from employers and other key partners.

NEGs are discretionary grants awarded by the Secretary of Labor (the Secretary) under Section 173 of the WIA, as amended. NEGs are intended to temporarily expand service capacity at the state and local levels by providing time-limited funding in response to significant dislocation events. Significant events include plant closures and mass layoffs, as well as other events recognized by the Secretary under 20 CFR 671.11. The Secretary has used this authority to provide assistance in response to significant nationwide events affecting the United States workforce. Significant events are those that create a sudden need for assistance that cannot be accommodated within the ongoing operations of the WIA DW program, including Statewide Activities and Rapid Response funds reserved at the state level.

Widespread smaller layoff events across the country, combined with the high numbers of long-term unemployed, have had a significant impact on the workforce investment system's ability to provide crucial training services to improve DW's employment prospects. The Secretary has recognized the impact of these smaller layoffs across the nation as a significant dislocation event for purposes of one-time NEG assistance.

An important component of the JD NEG is the Workforce and Industry/Employer Partnerships. The partnerships in place, or being developed, with local WDBs, employers and/or industry groups, training providers, such as community colleges, and other organizations, such as labor unions, nonprofit organizations, and community-based organizations, are vital to effectively serve JD NEG participants and other dislocated workers.

Another key component of JD NEG projects will be work-based training models, which research has shown to be effective in helping jobseekers to quickly reenter the workforce, learn the desired skills in the workplace, and obtain employment utilizing the newly acquired skills and competencies. Examples of work-based training models include:

- Creation or expansion of Registered Apprenticeship programs and pre-apprenticeship programs with a pipeline to Registered Apprenticeship
- Creation or expansion of on-the-job training (OJT) programs

- Creation or expansion of customized training programs in partnership with an employer or multiple employers from a similar industry sector (not incumbent worker training)
- Expansion of existing career pathways programs that align adult education, career and technical education, occupational skills training, soft skills, and supportive services
- Expansion of accelerated learning models, such as contextualized learning models that combine career content with basic skills development, leading to faster course completion and matriculation into employment and/or higher level training

Policy:

The WDA was awarded JD NEG funds to implement new or expanded local and regional job-driven partnerships that provide workers opportunities to participate in work-based training, or occupational training that results in an industry-recognized credential, and/or other non-training reemployment services, such as coaching, counseling, and direct job placement, that will enable them to obtain employment in industry sectors with demonstrated demand.

Each Prosperity Region had the opportunity to submit a proposal to the WDA for JD NEG funds prior to the USDOL funding award. Funding has been allocated to all Prosperity Regions that submitted a request to the WDA. The amount of funding requested exceeded the award to the state and is distributed per the attached table.

Eligible Participants

Participants must be eligible DWs with a particular emphasis on DWs who are:

- Long-term unemployed jobseekers (unemployed for at least 28 weeks in aggregate since January 2008). Weeks of being unemployed do not need to be consecutive, nor does the eligible participant have to have received/exhausted UI benefits. Documenting weeks of being unemployed may be satisfied through UI documentation, participant self-attestation, or a detailed case note.
- UI recipients that have been profiled as likely to exhaust their benefits
- Foreign-trained immigrant workers, who qualify as dislocated workers, and have faced barriers to obtaining employment in their trained field or profession

Use of Funds

The purpose of the JD NEG is to increase the workforce investment system's capacity to provide critical training and reemployment services that lead to employment in the key sectors identified within each Prosperity Region.

Administration: Up to eight (8) percent of the award may be used to cover administrative costs associated with operating the JD NEG at the local level.

Work-Based Learning: In recognition of the fact that work-based learning can bridge the divide between unemployment and employment for long-term unemployed individuals, and that studies show that employment and earnings outcomes for workers are higher when training is closely targeted to specific occupations and industries, particularly in real work-based settings, a minimum of 30 percent of the total funds must be used for one or more of the work-based training models, such those identified previously in the background section of this policy issuance. Furthermore,

- OJT opportunities and customized training must be provided under a contract with an employer in the private-nonprofit or private sector
- Credential attainment is not required to be a part of OJT, and OJT will continue to be exempt from the credential performance measure (for OJT NEG #2614, DWT NEG #2619 and JD NEG #2622). However, MWAs are strongly encouraged to prioritize OJT opportunities that also include a formal training component that leads to a credential.
- The parameters associated with OJT in ETA's current OJT NEG guidance, TEGLs 4-10 and 16-12, apply to any OJT opportunities offered under JD NEGs, notwithstanding the definition of prolonged unemployed contained in these guidance documents.
- MWAs that have an approved sliding scale waiver for OJT employer reimbursement, or a waiver for customized training contributions under their WIA DW formula program, may apply their approved waiver to the JD NEG project
- The parameters associated with OJT in the current OJT NEG guidance, Training and Employment Guidance Letters 4-10 and 16-12, apply to any OJT opportunities offered under JD NEGs
- Updated wage cap information will be issued at a later date by USDOL

Employment Tools: Up to 5 percent of funds may be used for developing, enhancing, and/or purchasing tools to be used for the program and program participants, such as job matching and labor market information Web sites, including underlying tools for making data more available to job seekers. The new tools must either address

a defined need that cannot be met with currently available state or federal employment tools/online resources, or enhance current tools with new features and abilities.

Partnership Development: Up to 5 percent of funds may be used for partnership development and/or strategic planning in areas related to operating the JD NEG, such as convening group of employers, meetings, reestablishing Regional Skills Alliances, etc.

Other Allowable Activities: The balance of the funds must be used to provide other core, intensive, supportive, and training services, such as job coaching and job matching models, classroom training, Long-Term Unemployment Specialists or Navigators, etc.

Data Entry

The WDA requires that all WIA participant information be reported in the One-Stop Management Information System (OSMIS), including eligibility, activities, status, and outcome information.

JD NEG participants must be registered in the OSMIS under the WIA DW program. All requirements for WIA DW program registration and accompanying documentation must be met.

All JD NEG participants will have the “National Emergency Grant” funding source selected on the OSMIS “Funding Sources/Programs” screen.

Please follow these instructions when completing the NEG portion of the “Funding Sources/Programs” screen for JD NEG participants:

- For “National Emergency Grant,” select “Yes”
- For “Grant Number,” select “2622 – JD NEG”
- For “Grant Start Date,” enter the participant’s date of NEG enrollment (when JD NEG funds are first spent on the participant)

MWAs must enter the date that the participant was enrolled in the JD NEG in the “Grant Start Date” field below each Grant Number field. The entry of an NEG grant number will not be accepted without the entry of a corresponding enrollment date.

An additional indicator will appear for number of weeks unemployed. The number can be any number from 0 to 999 and is an aggregate of weeks unemployed as of January 2008 and does not need to be consecutive.

Cash Requests/Financial Reporting:

The locally designated MWA (fiduciary) will process all cash requests through the Management of Awards to Recipients System (MARS) in accordance with the MARS Manual. The MWA must have on file appropriate documentation to support each cash draw.

The USDOL, 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 policy issuance 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.

Profit Limitations

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.

Monitoring

The deadline for full expenditure of JD NEG funds is June 30, 2016. Quarterly review of expenditures and enrollments will be completed by the WDA. Concerns regarding enrollment and expenditure levels will be addressed by the WIA Coordinator. Annual WIA programmatic reviews will incorporate a review of the JD NEG project, including file review.

To ensure expenditure by the due date and to meet local demand, the WDA retains the right to recapture and reallocate unexpended JD NEG funds at any time after March 31, 2016, based on enrollment and expenditure trends.

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. 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. Teresa Keyton at (517) 335-5858, for details.

Action: Regions 1, 2, 6, and 9 will use their previously submitted original proposal for JD NEG funds as their implementation plan for said allocations. Regions 3, 4, 5, 7, 8, and 10 must submit, within 30 days, a revised plan based upon the funding allocated to each region. The WDA understands that the plans will not be as robust as the original or revised requests as the amount of funding is substantially less than requested. The plan must include number of planned participants, along with a narrative of how funds will be spent (following TEN 29-13).

Regional Fiduciaries are required to submit a Budget Information Summary (BIS) within 30 days from the issue date of this policy to Ms. Keyton at keyton@michigan.gov. Please copy your WIA State Coordinator on the e-mail submission.

Regional Fiduciaries must submit one hard copy of the Approval Request Form, with original signatures, within 30 days from the date of this policy issuance to:

Workforce Development Agency
Office of Workforce Policy and Strategic Planning
Workforce Investment Act Section
Victor Office Center
201 North Washington Square, 5th Floor
Lansing, MI 48913

Expiration

Date: June 30, 2016

SB:MS:cg

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. Plan Period: Identify the time 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): JD NEG	
4. Policy Issuance Number: 14-04	5. Plan Period: July 1, 2014 to June 30, 2016

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: 14-04
5. Plan Period: July 1, 2014 – June 30, 2016	6. Grant Name: FY14 WIA DIS WKRS NAT RES-EMERGENCY (ADVANCE)
7. Project Name: Job Driven NEG (Regions 1, 2, 3, 4, 5, 7, 8, 9, 10) JD NEG – REGION 6 (MACOMB ONLY)	

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 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 NATIONAL EMERGENCY GRANT
PY 2014
JOB DRIVEN NEG FUNDING**

Prosperity Region	Fiduciary	Allocation
1	Job Force	\$606,500
2	NWMCOG	\$694,000
3	Region 7B	\$364,475
4	Ottawa County MWA	\$222,905
5	Great Lakes Bay	\$747,005
6	Macomb/St. Clair 6	\$1,400,000
7	Capital Area MW!	\$179,173
8	Berrien-Cass-Van Buren	\$305,537
9	Livingston County MWA	\$700,000
10	Macomb/St. Clair 10	\$831,905
Totals:		\$6,051,500
	State Level Administration	\$123,500
	Total JD NEG Award	\$6,175,000