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E-mailed: 07/20/15 (tk)

Workforce Development Agency (WDA)
Policy Issuance (PI): 15-13

Date: July 20, 2015

To: Michigan Works! Agency (MWA) Directors

From: Stephanie Beckhorn, Director (**SIGNED**)
Office of Talent Policy and Planning

Subject: Appropriation Year (AY) 2015 Workforce Innovation and Opportunity Act (WIOA) Statewide Activities Funding for Program Year (PY) 2015 (July 1, 2015 through June 30, 2016) for High Concentrations of WIOA Eligible Youth

Programs Affected: WIOA Youth Programs Administered by MWAs

Rescissions: None

References: U. S. Department of Labor (USDOL) Training and Employment Guidance Letter (TEGL) 23-14, issued March 26, 2015

USDOL TEGL 29-14, Change 1, issued May 1, 2015

WDA PI 15-12, issued July 16, 2015

WDA PI 15-09, issued June 30, 2015

WDA PI 14-14, issued December 11, 2014, and subsequent change

The WIOA of 2014, Public Law 113-128 (29 United States Code Section 3101, *et. seq.*)

The WIOA Notices of Proposed Rulemaking (Proposed Rules) as Published in the Federal Register on April 16, 2015



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Background: The WIOA, which supersedes the Workforce Investment Act (WIA) of 1998, presents an extraordinary opportunity to improve job and career options for our nation's workers and jobseekers through an integrated, job-driven public workforce system that links diverse talent to businesses. The WIOA supports the development of strong, vibrant regional economies where businesses thrive and people want to live and work. This revitalized workforce system will be characterized by three critical hallmarks of excellence:

- (1) The needs of business and workers drive workforce solutions;
- (2) One-Stop Centers provide excellent customer service to workers, jobseekers and employers, and focus on continuous improvement;
- (3) The workforce system supports strong regional economies and plays an active role in community, economic and workforce development.

The WIOA Section 129(b)(1) requires states to use a portion of the funds reserved for Statewide Activities to carry out additional activities, including activities that specifically benefit youth.

Policy: In accordance with the WIOA Section 129(b)(1)(F), the WDA is allocating WIOA Statewide Activities funding to provide additional assistance to local areas that have a high concentration of WIOA eligible youth. The local areas selected to receive funding were chosen based upon an evaluation of 2010 census data regarding the percentage of eligible youth as compared to the total population of youth in each local service delivery area. A statewide average was then determined and any local area that exceeded the statewide average for eligible youth was selected to receive funding.

Fiscal reporting for the funds awarded in this policy issuance shall be independent from the WIOA Youth formula funding allocated for PY 2015 in WDA PI 15-09. **Carry-forward of these funds** from PY 2015 into PY 2016 **will not be permitted. Unexpended funds as of June 30, 2016, will be recaptured** by the WDA. **Administrative funding is limited to a maximum of 10 percent of the allocations** detailed in this policy issuance.

Per the WIOA Section 129(a)(4), **a minimum of 75 percent of the funds** awarded to each local area in this policy issuance **must be used** to provide workforce investment activities **for Out-of-School Youth**. *There is no ability to waive this requirement.* Compliance with this requirement is based upon a local area's adjusted award. Per TEG 23-14, **PY 2015 will serve as a**

transition year in terms of meeting the higher WIOA Out-of-School Youth expenditure requirement. As such, **for PY 2015 only**, local areas that cannot achieve the 75 percent expenditure requirement **must**, at a minimum, **demonstrate progress** towards meeting the higher WIOA Out-of-School Youth expenditure requirement **through increased expenditures on Out-of-School Youth** as compared to the previous year. Per TEGL 23-14, **each local area** that cannot achieve the 75 percent expenditure requirement for PY 2015 **must show at least a 10 percentage points increase** in their Out-of-School Youth expenditures as compared to the previous year **AND achieve an Out-of-School Youth expenditure rate of at least 50 percent**. Previous year expenditure data will be provided at a later date by the WDA as stated in the WDA PI 15-09. Local areas that fail to achieve the minimum Out-of-School Youth expenditure requirement may be subject to disallowed costs.

When a youth is enrolled as an Out-Of-School Youth, they maintain that designation throughout their participation, regardless of any new enrollment in education.

The 20 percent Work Experience minimum requirement does not apply to the WIOA Statewide Activities funding awarded in this policy issuance.

The funds awarded in this policy issuance are to provide additional assistance to local areas that have high concentrations of WIOA eligible youth in order to carry out the following:

- A. Provide an objective assessment of the academic levels, skill levels, and service needs of each participant, which shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), supportive service needs, and developmental needs of such participant, for the purpose of identifying appropriate services and career pathways for participants. A new assessment of a participant is not required if the provider carrying out such a program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program;
- B. Develop service strategies for each participant that are directly linked to 1 or more of the indicators of performance described in the WIOA Section 116(b)(2)(A)(ii), and that shall identify career pathways that include education and employment goals (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for the participant taking into account the assessment conducted pursuant to subparagraph (A),

except that a new service strategy for a participant is not required if the provider carrying out such a program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program;

C. Provide—

- a. activities leading to the attainment of a secondary school diploma or its recognized equivalent, or a recognized postsecondary credential;
- b. preparation for postsecondary educational and training opportunities;
- c. strong linkages between academic instruction (based on State academic content and student academic achievement standards established under section 1111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311)) and occupational education that lead to the attainment of recognized postsecondary credentials;
- d. preparation for unsubsidized employment opportunities, in appropriate cases; and
- e. effective connections to employers, including small employers, in in-demand industry sectors and occupations of the local and regional labor markets.

Further, local WIOA Youth programs must include each of the fourteen program elements listed in the WIOA Section 129(c)(2) as options available to youth participants.

Data Entry

When entering a youth into the One-Stop Management Information System (OSMIS) using these funds, please select the “Youth (Statewide (15%))” option. If regular Youth formula funds are also being used, the “Youth (Local)” option should also be selected.

Profit

Please refer to the WDA’s Procurement Policy, PI 15-12, issued July 16, 2015, or any policy replacing WDA PI 15-12, for further information regarding profit and corresponding limitations.

Fiscal Information

The local area will process all cash requests through the MARS in accordance with the MARS Manual. The local area 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 for the funds provided in this policy issuance must be reported to the WDA on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due to the WDA no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to the 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. Local areas must submit reports in the MARS located at <http://www.michigan.deleg-mars.org>. If there are any questions regarding cash requests or the submission of required expenditure reports, please call Mr. Kerry Trierweiler at (517) 241-1788.

Action: Local areas receiving an allocation as a result of this policy issuance are required to submit a plan narrative detailing the services to be provided, in accordance with WIOA Youth program design and service delivery requirements, and a description of how the planned programming relates to, and supports, the local area's strategic plan within 30 days from the issue date of this policy to Ms. Teresa Keyton at KeytonT@michigan.gov. Please copy your assigned WIOA state coordinator on your email submission.

Local areas must also submit a Budget Information Summary (Attachment B) within 30 days from the issue date of this policy. The Budget Information Summary should also be submitted to Ms. Keyton, with a copy to your assigned WIOA state coordinator.

Local areas are also required to submit one signed Approval Request form (Attachment A), with original signatures from the Chief Elected Official(s), Workforce Development Board Chair, or their designee(s), in accordance with WDA PI 14-14 and Change 1. Approval Request forms must be submitted within 30 days from the issue date of this policy issuance to:

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

Inquiries: Questions regarding this policy issuance should be directed to your WIOA state coordinator.

This policy issuance is available on the WDA's website at <http://www.michigan.gov/wda/0,5303,7-304-67992---,00.html>. Please contact Ms. Teresa Keyton at (517) 335-5858 or via email if you require assistance.

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 for details.

Expiration

Date: June 30, 2016

SB:KJ:tk

Attachments

Approval Request Form 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(s): Enter the appropriate title(s) for the plan being submitted.
4. Policy Issuance Number: Enter the Policy Issuance number that the Approval Request form covers.
5. Plan 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), or their authorized designee(s).

APPROVAL REQUEST

1. Michigan Works! Agency (MWA):	2. MWA Number:
3. Plan Title(s): High Concentrations of WIOA Eligible Youth	
4. Policy Issuance Number: 15-13	5. Plan Period: July 1, 2015- 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 (WDA), 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
Workforce Innovation and Opportunity Act (WIOA)
High Concentrations of WIOA Eligible Youth**

Section I - Identification Information

Michigan Works! Agency (MWA) Name: Enter the name of the MWA.

Policy Issuance: Enter the Policy Issuance number applicable to the BIS.

Grant Name: Enter the name of the grant associated with the funding being awarded.

Project Name: Enter the name of the project associated with the funding being awarded.

Plan Period: Enter the start and end dates of the plan period, e.g., 07/01/15 to 06/30/16.

CFDA Number: Enter the Catalog of Federal Domestic Assistance (CFDA) number(s) associated with this grant.

Section II - Total Funds Available

July (Base) Allocation: Enter the amount of the July allocation.

October (Advance) Allocation: Enter the amount of the October allocation.

Total Appropriation Year (AY) Funding: The aggregate total of the July and October allocations. The excel spreadsheet will automatically calculate.

Section III - Current AY Planned Expenditures by Cost Category

Administration: Enter the amount of the grant to be used for local administration. Not more than 10 percent of the total allocation may be used for administration.

In-School Youth (ISY): Enter the amount of the allocation planned for In-School Youth.

Out-of-School Youth (OSY): Enter the amount of the allocation planned for Out-of-School Youth. At least 75% of the adjusted award* must be used to provide services to Out-of-School Youth. For Program Year 2015 (July 1, 2015 – June 30, 2016) only, local areas may expend less than 75% on Out-of-School Youth as long as expenditures are in compliance with the requirements of Training and Employment Guidance Letter 23-14, issued March 26, 2015, and any additional guidance issued by the WDA.

Total Planned Costs: The excel spreadsheet will automatically calculate all of the total planned costs entered for the grant.

Youth Adjusted Award: The excel spreadsheet will automatically calculate. It is based upon the total allocation minus funds reserved for the costs of administration.

Section IV - Limitation Percentages

This section was developed to assist MWA staff and state coordinators with reviewing planned expenditures versus expenditure requirements and limitations. The cells will automatically calculate.

*The Adjusted Award. The excel spreadsheet will automatically calculate this based upon the total allocation minus funds reserved for the costs of administration.

High Concentrations of WIOA
Eligible Youth Allocations
Program Year 2015
(July 1, 2015 – June 30, 2016)

ACSET		\$0
Berrien/Cass/Van Buren		\$0
Capital Area		\$5,990
	Clinton	\$431
	Eaton	\$515
	Ingham	\$5,044
Central Area		\$4,035
	Gratiot	\$417
	Ionia	\$591
	Isabella	\$2,392
	Montcalm	\$636
Detroit Emp Solutions		\$14,151
Eastern U.P.		\$553
	Chippewa	\$417
	Luce	\$60
	Mackinac	\$77
Genesee/Shiawassee		\$4,563
	Genesee	\$4,076
	Shiawassee	\$487
Great Lakes Bay		\$3,653
	Bay	\$653
	Midland	\$683
	Saginaw	\$2,317
Livingston		\$0
Macomb/St. Clair		\$0
Muskegon/Oceana		\$1,935
	Muskegon	\$1,723
	Oceana	\$211
Northeast		\$0
Northwest		\$0
Oakland		\$0
Ottawa		\$0
Region 7B		\$0
SEMCA		\$0

South Central		\$2,699
	Hillsdale	\$625
	Jackson	\$1,176
	Lenawee	\$898
Southwest		\$5,574
	Branch	\$337
	Calhoun	\$1,139
	Kalamazoo	\$3,674
	St. Joseph	\$423
The Job Force		\$0
Thumb Area		\$0
Washtenaw		\$3,927
West Central		\$1,988
	Lake	\$100
	Mason	\$229
	Mecosta	\$898
	Newaygo	\$539
	Osceola	\$222
Western U.P.		\$932
	Baraga	\$50
	Gogebic	\$136
	Houghton	\$630
	Iron	\$77
	Keweenaw	\$11
	Ontonagon	\$28
Total		\$50,000

Allocation based on high concentration of eligible youth.

July 6, 2015