



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT
TALENT INVESTMENT AGENCY
WANDA M. STOKES
DIRECTOR

ROGER CURTIS
DIRECTOR

OFFICIAL
Policy Issuance (PI): 16-11 Change 1

Date: September 22, 2017

To: Michigan Works! Agency (MWA) Directors

From: Wanda M. Stokes **SIGNED**
Director

Subject: Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker (DW), and Youth Program Allocations for Allocation Year (AY) 2016, the Time Period of July 1, 2016 through June 30, 2018

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

Rescissions: PI 02-11, issued April 2, 2002, and subsequent changes

References: U.S. Department of Labor (USDOL) Training and Employment Guidance Letter 17-15, issued April 5, 2016

PI 15-29, issued December 1, 2015

PI 15-12, issued July 17, 2015

Michigan Industry Cluster Approach Guidelines, issued July 26, 2012

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

The WIOA Final Rule 20 Code of Federal Regulation Part 682, et al.

Background: The WIOA, which supersedes the Workforce Investment Act 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 USDOL awards states annual allocations by formula for the WIOA Title I programs—Adult, DW, and Youth—and the states, in turn, distribute, by formula, allocations to the local areas for the three programs for the provision of employment, education, and training services.

This policy extends the time the MWAs have to expend 85 percent of funds allocated in this policy including changes to this policy.

Policy:

The Michigan Talent Investment Agency (TIA) distributed \$77,375,482 in WIOA formula funding for AY 2016, which is comprised of \$23,115,578 in Adult funding, \$29,007,239 in DW funding, and \$25,252,665 in Youth funding.

Local areas **may carry-forward up to 100 percent of the funds awarded** from Program Year (PY) 2016 into PY 2017. **However, at least 85 percent of the PY 2016 funds awarded** for WIOA Adult, DW, and Youth programs **must be expended by December 31, 2017**, or the excess unspent funds are subject to recapture by the TIA. Excess funds subject to recapture will be determined using the December 31st Accrued Expenditure Report as reported in the Management of Awards to Recipients System (MARS). **WIOA funding must be expended using the first-in, first-out accounting method.**

Allowable funding for **local administration is limited to 10 percent of the allocation for each program.**

Allowable funding for **incumbent worker training is limited to 20 percent of the combined allocations** for the Adult and DW programs. Allowable funding for **transitional jobs is limited to 10 percent of the combined allocations** for the Adult and DW programs.

Local areas **may transfer up to 100 percent** of their AY 2016 allocations **between the Adult and DW programs** without a waiver. Local areas will need to submit Budget Information Summaries to the TIA/Workforce Development to effect any transfers between the Adult and DW programs.

The WIOA Section 129(a)(4) requires local areas to ensure that, for any program year, a minimum of 75 percent of Youth funds are used to

provide workforce investment activities to Out-of-School Youth, that is, 75 percent of all WIOA Youth *program expenditures* must be for Out-of-School Youth. *There is no ability to waive this requirement.* Compliance with this requirement is based on a local area's adjusted Youth award.

Per the WIOA Section 129(c)(4), **local areas must spend a minimum of 20 percent of their Youth funds on paid and unpaid work experiences** as defined in the WIOA Section 129(c)(2)(C). Compliance with this requirement is based on a local area's adjusted Youth award.

Action: MWA officials shall take the appropriate actions necessary to adhere to changes outlined in this policy.

All other requirements of PI 16-11 remain in effect.

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

The information contained in this policy will be made available in alternative formats (large type, audio tape, etc.) upon request to this office. Please contact Ms. Pam Vance by telephone at 517-373-6234 or by email at VanceP1@michigan.gov for details.

**Expiration
Date:** June 30, 2018

WMS:RN:pv

Allocation Year (AY) 2016 WIOA Adult Allocations

Michigan Works! Agency	July Allocation (\$)	October Allocation (\$)	Total Allocation (\$)
Berrien-Cass-Van Buren	78,920	540,847	619,767
Capital Area	98,734	676,632	775,366
DESC	527,253	3,613,317	4,140,570
GST Michigan Works!	228,018	1,562,628	1,790,646
Great Lakes Bay	144,404	989,613	1,134,017
Macomb-St. Clair	324,599	2,224,511	2,549,110
Northeast	52,907	362,581	415,488
Northwest	91,762	628,857	720,619
Oakland	294,656	2,019,310	2,313,966
Region 7B	59,247	406,022	465,269
SE Michigan Consortium	179,108	1,227,443	1,406,551
SEMCA	295,727	2,026,642	2,322,369
Southwest	114,005	781,284	895,289
UPWARD	113,786	779,789	893,575
West Central	62,511	428,392	490,903
West Michigan Works!	277,862	1,904,211	2,182,073
Total	2,943,499	20,172,079	23,115,578

April 25, 2016

Allocation Year (AY) 2016 WIOA Dislocated Worker Allocations

Michigan Works! Agency	July Allocation (\$)	October Allocation (\$)	Total Allocation (\$)
Berrien-Cass-Van Buren	128,130	635,010	763,140
Capital Area	171,947	852,161	1,024,108
DESC	837,688	4,151,545	4,989,233
GST Michigan Works!	437,591	2,168,682	2,606,273
Great Lakes Bay	242,728	1,202,950	1,445,678
Macomb-St. Clair	510,398	2,529,513	3,039,911
Northeast	96,036	475,951	571,987
Northwest	163,187	808,749	971,936
Oakland	463,945	2,299,292	2,763,237
Region 7B	101,582	503,435	605,017
SE Michigan Consortium	300,972	1,491,603	1,792,575
SEMCA	482,835	2,392,907	2,875,742
Southwest	178,829	886,272	1,065,101
UPWARD	209,343	1,037,493	1,246,836
West Central	104,731	519,041	623,772
West Michigan Works!	440,348	2,182,345	2,622,693
Total	4,870,290	24,136,949	29,007,239

April 25, 2016

Allocation Year (AY) 2016 WIOA Youth Allocations

Michigan Works! Agency	Allocation (\$)
Berrien-Cass-Van Buren	607,279
Capital Area	1,146,091
DESC	4,752,485
GST Michigan Works!	1,714,764
Great Lakes Bay	1,321,507
Macomb-St. Clair	2,838,357
Northeast	380,096
Northwest	703,788
Oakland	2,157,603
Region 7B	478,092
SE Michigan Consortium	1,698,299
SEMCA	2,453,027
Southwest	1,080,281
UPWARD	844,895
West Central	619,720
West Michigan Works!	2,456,381
Total	25,252,665

April 25, 2016