



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT
LANSING

STEPHANIE BECKHORN
ACTING DIRECTOR

OFFICIAL

Policy Issuance (PI): 18-31, Change 1

Date: March 29, 2019

To: Michigan Works! Agency (MWA) Directors

From: Joe Billig, Division Administrator **SIGNED**
Targeted Services Division
Workforce Development Agency

Subject: The Workforce Innovation and Opportunity Act (WIOA) Program
Year (PY) 2018 Infrastructure Funding Agreement(s) (IFAs) Payment
Procedures for the Michigan Talent Investment Agency/Workforce
Development Agency (TIA/WDA), Jobs for Veterans State Grants (JVSGs)

**Programs
Affected:** The JVSG programs funded through the WDA

References: The WIOA of 2014, Public Law 113-128

The WIOA Final Regulations as Published in the Federal Register on
August 19, 2016

United States Department of Labor (USDOL) Training and Employment
Guidance Letter (TEGL) 16-16, issued January 18, 2017

USDOL TEGL 17-16, issued January 18, 2017

PI 17-12, issued July 14, 2017, or any policy that replaces PI 17-12

PI 15-29, issued December 1, 2015, or any policy that replaces PI 15-29

PI 11-37 Change 2, issued May 11, 2015, or any policy that replaces
PI 11-37, Change 2

Rescissions: None

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 job seekers 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 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, job seekers, 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 requires local boards, with the agreement of the Chief Elected Official, to develop and execute Memorandums of Understanding (MOUs) with One-Stop partners concerning the operation of the One-Stop delivery system in the local service delivery area. In accordance with the WIOA at Section 121(c) and the WIOA Final Regulations at 678.500, the MOUs must also include an IFA, which details how infrastructure costs for the One-Stop delivery system will be funded in the local area. The IFAs must adhere to the provisions outlined by the WIOA at Section 121(h) and the WIOA Final Regulations at 678.700 thru 678.755.

This policy sets forth guidance regarding the payment procedure to receive infrastructure funding allocations identified through the Local Funding Mechanism (LFM). The LFM allocates costs based on methodologies developed by the MWAs. The negotiated and mutually agreed-upon infrastructure costs for JVSG programs are identified under the *WIOA Infrastructure Funding Agreements PY 2018 Allocation Chart* attached to this policy (Attachment A). This funding is awarded for PY 18, the time period of July 1, 2018 through June 30, 2019, and therefore, **must be applied toward expenditures incurred during PY 2018.**

Policy:

Consistent with PI 17-09 and 17-12, or any subsequent changes regarding Instructions for Executing MOUs and IFAs under the WIOA of 2014, an IFA must be executed between the local board and each of the required One-Stop partners and attached as an addendum to the MOU. Infrastructure costs should be funded through the LFM.

This policy requires utilizing JVSG funding instead of the WIOA statewide activity (SWA) funding in support of the infrastructure costs for veterans' staff in One-Stop centers.

Grant Action Notices will be processed to remove SWA funding for veterans' infrastructure costs. JVSG funding will be awarded to replace the SWA funds. The JVSG funding will be awarded through the Management of Awards System (MARS) by March 31, 2019. This impacts funding for veterans staff only.

Profit

Please refer to the agency's Procurement Policy, PI 15-12, issued July 17, 2015, or any policy replacing PI 15-12, for further information regarding profit and corresponding limitations.

Fiscal Information

The local area will process all cash requests through the Management of Awards to Recipients System (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 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](#). If there are any questions regarding cash requests or the submission of required expenditure reports, please call Ms. Marilyn Carey at 517-241-6742.

Quarterly expenditures will include seven cost categories as noted in this policy and are as follows: Facilities Costs, Technology Costs, Common Identifier Marketing Costs, Other Infrastructure Costs, Costs Related to Board Functions, Costs to Promote Service Integration, and Shared Service Costs.

Action: Each MWA is required to rebook their expenditures from SWA to JVSG funding – for veterans' staff. Local areas that have submitted fully executed IFAs with signatures from the Chief Elected Official(s), Workforce Development Board Chair or their designees will be accepted as complete and are an acceptable source for budget information and signature documentation. Therefore, no signature page or budget information summary are required.

Inquiries: Questions regarding this policy should be directed to your Dislocated Services State Coordinator at 517-241-9834.

This policy is available for downloading from the [WDA's website](#).

The information contained in this policy will be made available in an alternative format (large type, audio tape, etc.) upon request to this office. Please contact Ms. Pam Vance by telephone at 517-241-9834 or by email at VanceP1@michigan.gov.

Expiration Date: June 30, 2019

JB:SW:pv

**WIOA Infrastructure Funding Agreements
PY 2018 Allocation**

MWA Number	Michigan Works! Agency	Migrant Seasonal Farm Workers	Jobs for Veterans State Grants (JVSG FUNDING)	Unemployment Compensation July Allocation	Unemployment Compensation October Allocation	Total Allocation	(Unemployment Compensation Total Allocation)
5	Berrien/Cass/Van Buren	\$ 57,444	\$ 27,331	\$ 10,396	\$ 31,187	\$ 126,358	\$ 41,583
17	Capital Area	\$ -	\$ 6,073	\$ 1,841	\$ 5,523	\$ 13,437	\$ 7,364
7	Detroit Emp Solutions Corp	\$ -	\$ 33,568	\$ 8,392	\$ 25,176	\$ 67,136	\$ 33,568
13	GST Michigan Works	\$ 8,303	\$ 11,680	\$ 31,774	\$ 95,321	\$ 147,078	\$ 127,095
4	Great Lakes Bay	\$ -	\$ 16,415	\$ 13,069	\$ 39,208	\$ 68,692	\$ 52,277
19	Macomb/St. Clair	\$ -	\$ 18,944	\$ 28,080	\$ 84,241	\$ 131,265	\$ 112,321
21	Northeast	\$ -	\$ 8,577	\$ 9,083	\$ 27,247	\$ 44,907	\$ 36,330
22	Northwest	\$ 23,254	\$ 45,835	\$ 25,786	\$ 77,357	\$ 172,232	\$ 103,143
23	Oakland County	\$ -	\$ 33,312	\$ 20,025	\$ 60,074	\$ 113,411	\$ 80,099
2	Region 7B	\$ -	\$ 12,907	\$ 21,830	\$ 65,491	\$ 100,228	\$ 87,321
30	SE Michigan Consortium	\$ 14,475	\$ 31,379	\$ 12,840	\$ 38,523	\$ 97,217	\$ 51,363
31	SEMCA	\$ -	\$ 44,453	\$ 16,449	\$ 49,346	\$ 110,248	\$ 65,795
14	Southwest	\$ 7,240	\$ 29,669	\$ 25,289	\$ 75,868	\$ 138,066	\$ 101,157
6	UPWARD Talent Council	\$ -	\$ 33,533	\$ 34,125	\$ 102,373	\$ 170,031	\$ 136,498
16	West Central	\$ 1,939	\$ 6,438	\$ 33,961	\$ 101,883	\$ 144,221	\$ 135,844
33	West Michigan Works	\$ 19,958	\$ 28,505	\$ 15,625	\$ 46,876	\$ 110,964	\$ 62,501
	TOTAL	\$ 132,613	\$ 388,619	\$ 308,565	\$ 925,694	\$ 1,755,491	\$ 1,234,259