



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

JEFF DONOFRIO
DIRECTOR

**OFFICIAL
Policy Issuance (PI): 20-17**

Date: July 9, 2020

To: Michigan Works! Agency (MWA) Directors

From: Krista Johnson, Division Administrator **SIGNED**
Talent Development Division
Workforce Development

Subject: Program Year (PY) 2020 Wagner-Peyser Employment Service (ES)
Allocations

**Programs
Affected:** Wagner-Peyser ES

Rescissions: None

References: The Wagner-Peyser Act of 1933, as amended by the Workforce Innovation
and Opportunity Act (WIOA) of 2014

ES Manual, issued September 11, 2019, and subsequent changes

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.

The WIOA Manual, issued January 29, 2018, and subsequent issuances

United States Department of Labor (USDOL) Training and Employment Notice (TEN)
13-19, Wagner-Peyser Act Staffing Flexibility Final Rule, issued January 13, 2020

USDOL Training and Employment Guidance Letter 16-19, issued April 23, 2020

Career and Educational Advisory Councils (CEAC), PI: 19-29, issued
October 23, 2019

Refugee and Immigrant Navigator Program, PI: 18-39, issued October 12, 2018, and
subsequent changes

Background: The federal Wagner-Peyser Act of 1933 provides for the establishment of a nationwide labor exchange system with ES offices that provide job matching at no cost to all employers and job seekers, known as the ES. The Wagner-Peyser Act was amended by the WIOA in 2014, which calls for stronger partnerships with ES to seek new avenues to enhance seamless program delivery of services in the One-Stop system.

The ES focuses on a variety of employment-related labor exchange services including:

- Job search assistance.
- Assessments.
- Job referrals.
- Placement of job seekers.
- Re-employment services to Unemployment Insurance (UI) claimants.
- Registering UI claimants for work.
- Delivery of the UI Work Test.
- Recruitment services for employers.

Policy: The MWAs will receive \$15,359,000 of Wagner-Peyser 7(a) funding to provide a variety of employment-related labor exchange services. Program Year 2020 funding awarded in this policy will support a combination of Employment Services, CEAC activities, implementation of the Refugee and Immigrant Navigator Program, and Michigan Works! Service Center (MWSC) operations.

The CEAC brings education and business together by establishing a formal entity and mechanism to build and maintain a collaborative partnership with local school districts, employers, post-secondary institutions, advocates, and training centers to identify significant talent needs in a community and collectively develop and implement training strategies to effectively meet employers' talent needs. The CEAC guidelines are found in PI 19-29, issued October 23, 2019, and subsequent changes.

Refugee Navigators are housed in the Michigan Works! Service Centers to provide support and resources to the influx of immigrants and other persons granted legal authorization to work in the United States from distressed locations outside of North America. This program supports refugee individuals who may face significant language and cultural barriers and difficulties finding adequate housing and transportation. Guidelines for this program are found in PI 18-39, issued October 12, 2018, and subsequent changes.

Funding obligated for MWSC operations may be used in support of activities aiming to improve customer service, inform and educate the public about the service centers, and upgrade facilities. Funding obligated for MWSC operations **may not** be utilized to purchase or maintain participant reporting systems or job matching systems that duplicate those provided by the State.

The USDOL's Employment and Training Administration released TEN 13-19, the Wagner-Peyser Act Staffing Flexibility final rule removing the requirement that states hire state merit staff for ES activities provided under the Wagner-Peyser Act. The changes made in this final rule updated the regulations to align with the flexibility allowed under the WIOA and allows states to choose the service delivery model that can best meet their goals for the ES program. This may include a focus on services for individuals with barriers to employment, improved employment opportunities for UI recipients and other job seekers, better services for employers, and improved outreach to individuals in rural areas. In alignment with the final rule, the Michigan Department of Labor and Economic Opportunity-Workforce Development (LEO-WD) has elected to allow local discretion of whether to utilize merit staff for provision of ES activities as of July 1, 2020.

Performance Measures

Wagner-Peyser ES program participants are subject to the following performance measures and will be tracked in the One-Stop Management Information System:

- Employment During the Second Quarter After Exit.

The percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program.

- Employment During the Fourth Quarter After Exit.

The percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program.

- Median Earnings During the Second Quarter After Exit.

The median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program.

“Median” is defined as the numerical value that separates the higher half from the lower half of earnings.

- Employer Measure.

Indicator(s) of effectiveness in serving employers will be determined at a future date.

Carry-Forward of Funds from Prior Program Year

The MWAs are allowed to carry-in an unlimited amount of PY 2019 Wagner-Peyser funds into PY 2020; however, at least **85 percent** of the PY 2019 funding allocations must be expended by December 31, 2020.

- Excessive unspent **PY 2019** Wagner-Peyser funds as of **December 31, 2020**, may be recaptured and redistributed.
- Only administration costs associated with the Wagner-Peyser 7(a) ES programs should be charged against the Wagner-Peyser 7(a) allocation. There will be no limitations imposed on administration expenses, however, MWAs that indicate administration expenses above 20 percent will be monitored.

Carry Forward of PY 2020 Funds Awarded in this Policy

The MWAs will be allowed to carry-in an unlimited amount of PY 2020 Wagner-Peyser funds into PY 2021; however, at least **85 percent** of the PY 2020 funding allocations must be expended by September 30, 2021.

- Excessive unspent **PY 2020** Wagner-Peyser funds as of **September 30, 2021**, may be recaptured and redistributed.
- Only administration costs associated with the Wagner-Peyser 7(a) ES programs should be charged against the Wagner-Peyser 7(a) allocation. There will be no limitations imposed on administration expenses; however, MWAs that indicate administration expenses above 20 percent will be monitored.

Cash Requests/Financial Reporting

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 WD on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due to WD no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to WD no later than 60 days after the end of the grant period. If 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 Michael LaCharite at 517-335-6051.

Action: The MWA officials must submit a Budget Information Summary and the Approval Request form as a condition of receiving Wagner-Peyser ES funds for PY 2020. Templates are attached to this policy for MWA use.

These documents must be submitted electronically to WD at LEO-TSDIV@michigan.gov within 30 days of the issuance of this policy.

Inquiries: Questions regarding this policy should be directed to your Workforce Innovation Team State Coordinator.

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

WD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Please contact Ms. Paula Hengesbach by telephone at 517-241-3678 or by email at HengesbachP@michigan.gov for details.

WD is funded by State and Federal funds; more details are available on the Legal Disclaimer page at www.michigan.gov/workforce.

Expiration

Date: June 30, 2022

KJ:GT:ph
Attachments

Wagner-Peyser Employment Services

Budget Information Summary (BIS) Instructions

Section I - Identification Information

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

Policy Issuance Number: Enter the Policy Issuance number applicable to the BIS. "20-17" has been pre-printed.

Grant Name: Enter the name of the grant associated with the funding being awarded. "AY20 Wagner-Peyser 7(a)" has been pre-printed.

Project Name: Enter the name of the project associated with the funding being awarded. "AY20 Wagner-Peyser 7(a)" has been pre-printed.

Plan Period: Enter the start and end dates of the plan period. "07-01-20 through 06-30-22" has been pre-printed.

Catalog of Federal Domestic Assistance (CFDA) Number: Enter the CFDA number associated with this grant. "17.207" has been pre-printed.

Section II - Total Funds Available

Beginning Allocation: Enter the amount of the allocation.

Additional Allocation: Enter the amount of any additional allocation, if applicable.

Total Funds Available: This cell will automatically calculate the sum of Section II.

Section III - Planned Expenditures by Cost Categories

Administration: Enter the amount of funding to support MWA administration.

Programs: Enter the allocation for Career and Education Advisory Council activities.
Enter the allocation amount for Employment Services.
Enter the allocation amount for the Refugee and Immigrant Navigator Program.
Enter the allocation for Service Center Operations.

Total Planned Expenditures: This cell will automatically calculate.

Section IV – Limitation Percentage

Administration Percentage: This cell will automatically calculate the percentage of planned administration expenditures in comparison to total funds available.

The BIS may be found as an Excel attachment to this email.

APPROVAL REQUEST FORM

General Instructions

1. Michigan Works! Agency (MWA) Name and Number: Enter the name and number of the MWA.
2. Plan Title(s): Enter the title for the plan being submitted. *“Employment Service – Wagner-Peyser 7(a)” has been pre-printed.*
3. Policy Issuance (PI) Number: Enter the appropriate policy number. *“20-17 has been pre-printed.*
4. Plan Period: Identify the time period covered by the plan. *“07-01-2020 through 06-30-2022” has been pre-printed.*
5. Grant Name: Enter the name of the grant. *“AY20 Wagner-Peyser 7(a)” has been pre-printed.*
6. Project Name: Enter the name of the project. *“AY20 Wagner-Peyser 7(a)” has been pre-printed.*

The required signatories are designated in accordance with PI 19-38, issued December 30, 2019. Signatures are required from the Workforce Development Board Chair and the Chief Elected Official(s), or their authorized designee(s).

Note: Approval Request Forms are only required for initial grant allocations. Subsequent allocations for the same grant or deobligations of funds will not require another signed form.

Approval Request Form

1. Michigan Works! Agency (MWA) Name and Number:

2. Plan Title(s): Employment Service – Wagner-Peyser 7(a)

3. Policy Issuance Number: 20-17

4. Plan Period: 07-01-2020 through 06-30-2022

5. Grant Name: AY20 Wagner-Peyser 7(a)

6. Project Name: AY20 Wagner-Peyser 7(a)

The Chief Elected Official(s) and Workforce Development Board hereby request approval of this document. Please insert the printed name for each signature provided below.

Signature of Authorized Chief Elected Official

Date:

Printed Name:

Signature of Authorized Chief Elected Official

Date:

Printed Name:

Signature of Authorized Chief Elected Official

Date:

Printed Name:

Signature of Workforce Development Board Chairperson

Date:

Printed Name:

**ALLOCATION YEAR 2020 WAGNER-PEYSER AWARDS
JULY 1, 2020 – JUNE 30, 2022**

Michigan Works! Agency	Allocation
Berrien/Cass/Van Buren	425,620
Capital Area	706,126
Detroit Employment Solutions Corporation	1,154,091
GST Michigan Works!	1,062,632
Great Lakes Bay	740,474
Macomb/St. Clair	1,630,041
Northeast	285,250
Northwest	489,941
Oakland	1,906,018
Region 7B	276,887
SE Michigan Consortium	1,235,678
SEMCA	1,780,441
Southwest	714,499
UPWARD Talent Council	560,696
West Central	333,869
West Michigan Works!	2,056,737
Total	\$15,359,000