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**Workforce Development Agency (WDA)**

**Policy Issuance (PI) 13-05**

E-mailed: 7/11/2013 (tk)

**Date:** July 11, 2013

**To:** Michigan Works! Agency (MWA) Directors

**From:** Gary Clark, Director, Office of Talent Development Services  
Workforce Development Agency (**SIGNED**)

**Subject:** Career Education Consumer Report (CECR) Eligible Training Provider  
Eligibility, Application, Renewal, and Performance Standards

**Programs  
Affected:** Workforce Investment Act (WIA) Adult and Dislocated Worker Programs  
Administered by the MWAs

**Rescissions:** Office of Workforce Development Policy Issuance 00-17

Michigan Department of Career Development (MDCD) Policy Issuance  
01-11 and subsequent changes

MDCD Policy Issuance 03-19

**References:** WIA of 1998 (PL 105-220) August 7, 1998

20 CFR Part 652; et al WIA Final Rule

The following U.S. Department of Labor (USDOL) Training and  
Employment Guidance Letters (TEGLs):

- 12-01, Clarification on Selected Activities and Issues under the WIA,  
Issued on February 21, 2002



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- 16-04 “Self Employment Training for Workforce Investment Act Clients,” issued on February 23, 2005
- 02-07, “Leveraging Registered Apprenticeship as a Workforce Development Strategy for the Workforce Investment System, Issued July 12, 2007
- 09-07, “Revised Incentive and Sanction Policy for Workforce Investment Act Title 1B Programs,” issued October 10, 2007
- 17-07, “Using Technology-Based Learning in the Workforce Investment System, Issued January 3, 2008
- 12-10, Supporting Entrepreneurial and Self-Employment Training through the Workforce Investment System, issued November 15, 2010

The following USDOL Training and Employment Notices (TENs):

- 13-12, “Defining a Quality Pre-Apprenticeship Program and Related Tools and Resources,” issued on November 30, 2012.
- 44-11, “Encouraging Enhanced Partnerships and Collaboration between the Workforce Investment System and Registered Apprenticeship Programs” issued May 10, 2012.

**Background:**

A primary goal of the Workforce Investment Act is to ensure participant access to a variety of quality training programs. The intent of the WIA is to allow adult and dislocated workers who are eligible to receive training services, the freedom of choice in selecting a training program from the State’s Eligible Training Provider List.

**Policy:**

In Michigan, the eligible training provider list is the CECR. This policy provides information and direction to support and govern the operation and dissemination of the CECR. The guidelines and requirements discussed in the attached CECR Policy Manual will govern how Individuals Training Accounts (ITAs) and the CECR are managed.

**Action:**

MWAs will follow the guidelines and requirements as discussed in the CECR Policy Manual. Additionally, once an electronic application is received, MWAs must approve or deny the provider’s request for eligibility and/or subsequent eligibility within 20 business days. In the event that an MWA does not take

action within this time frame, the WDA's System Administrator reserves the authority to act on the Agency's behalf.

**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. Please contact Ms. Keyton at (517) 335-7418, for details.

The information contained in this policy issuance will be made available in alternative format (large type, audio tape, etc.) upon special request received by this office.

**Expiration**

**Date:**

Continuing

GC:JMC:tk  
Attachments

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# Michigan Career Education Consumer Report Policy Manual

## Requirements and Guidelines

**Workforce Development Agency  
State of Michigan**

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## Section I: Overview and General Posting Information

### General Requirements for All Training Programs:

The public workforce system plays a vital role in furthering access to credentials through its relationships with employers, labor, and industry organizations. Increasing credential attainment requires aligning state and local policies and service delivery models that support higher enrollments in credential-issuing training programs. As part of a demand-driven system, close coordination with local employers and training providers is required to identify and develop industry-recognized credentials for local, in-demand jobs. Attributes of career-enhancing credentials include industry-recognition, stackability, portability, and accreditation. For additional information about credentials, refer to USDOL's Training Employment Guidance Letter Number 15-10.

### Overview of Michigan's Career Education Consumer Report (CECR) Requirements:

A "program" is defined as one or more courses that result in the granting of a degree, diploma, journeyman's card, certificate or credential, license, or other set of outcomes or competencies recognized by employers.

A "site" is defined as a place at which an instructional or training program is delivered. A "site" is administered independently and maintains administrative records specific to enrollment in its program(s) of study.

Required CECR information consists of three categories:

1. Provider Contact Information, consisting of the institution/organization name, address, telephone number, Web address, e-mail address, provider type (e.g., community college, career schools, community based organization, etc.), and documentation that supports the school's eligibility (licensure, Title IV status, etc.).
2. Program-Specific Information, consisting of the Classification of Instructional Programs (CIP) Code, a summary description of the training program (in 2,000 words or less), program duration, admission requirements, credentials earned upon completion, accepted sources of financial aid, the waiting period for entry into the program, license fees for employment, program price, and any other additional costs that exceed \$500.
3. Program Performance Data, including completion or graduation rate (not required for new programs).

Initially, schools pursuing eligibility to serve ITA-funded students will not be required to provide completion-rate data and price information for each program. However, after the initial eligibility period, data on each program of study at each training site will be acquired by the WDA on behalf of the participating schools from the One-Stop Management

Information System (OSMIS), including quarterly Unemployment Insurance (UI) wage record data and supplemental data gathered by the MWAs.

All performance data must be verifiable and will be subject to audit. Training providers must agree to these terms in order to post their information on the CECR.

### Individual Training Accounts (ITAs)

The purpose of an ITA is to provide WIA eligible individuals with the means to obtain the necessary training to become gainfully employed or re-employed.

Individuals are determined eligible for training by the local MWA, based on eligibility criteria established under the WIA, Section 134(d)(4). Training services are limited to individuals who are unable to obtain other grant assistance for training; and require assistance beyond the compensation available under other grant assistance programs, which includes, but is not limited to, Pell grants, Trade Adjustment Assistance (TAA) or other federal grants.

In keeping with consumer choice, the selection of a training provider is jointly made by the both the case manager and participant, taking into account the likelihood of long-term employment at completion of the training. Approval as an ITA eligible training provider on the CECR does not guarantee that students will select the training program or that MWAs will make referrals.

### Training as part of a Demand-Driven Strategy:

The Michigan Industry Cluster Approach (MICA), is a special application of a demand-driven strategy. The MICA reveals that some entire industries face extraordinary worker and skills shortfalls and in such instances, solutions are better accomplished on an industry-basis, rather than a one-on-one approach with employers. Michigan's Workforce Investment Act/Wagner-Peyser Comprehensive Five Year Plan and the MICA "Guidelines" expand on this important relationship between "in-demand" occupations and the CECR.

As a demand driven workforce system is Michigan's primary workforce development strategy, MWAs, in consultation/collaboration with local employers, must ensure that training programs posted on the CECR are related to in-demand occupations.

Training must lead to an in-demand occupation, as defined by the local Workforce Development Board (WDB), and be completed within the time limits established by the WDB. The selection of a program of training services must be directly linked to employment opportunities either in the local area or in another area to which the individual is willing to relocate. Each MWA should determine which in-demand occupations to invest their WIA training dollars, based on their local/regional economy and on the MWA's in-demand occupations list.

### ITA Use & Design Options:

After receiving core and intensive services, and in consultation with the case manager, an ITA may be issued to eligible participants in need of training. Individuals receiving ITAs may use them to access any training program that is listed as ITA eligible on the CECR.

Each local WDB shall establish an approval process that reflects the appropriate balance between accountability for training funds with effective customer service. MWA service center staff may inform and facilitate career decisions but ultimately, the decision rests with the individual participant.

Each local WDB shall establish a range of amounts and/or a maximum dollar amount available for an ITA, and establish a mechanism to allow for payment of training dollars to the approved training provider in a timely manner.

### Section II: Eligible Training Providers

All training providers may submit an application to become certified as a WIA ITA eligible training provider. The application can be accessed at: [www.datamdcd.org](http://www.datamdcd.org).

#### Application Process:

The WDA has delegated its approval authority to the MWAs. A training provider is required to submit program information for each program, at each site at which the program is offered. Providers interested in having a program certified as WIA ITA eligible will indicate this on the data entry screen. Following a quality assurance review, the application is then routed to the MWA covering the area in which the school is located and/or the area in which the training program is offered. The MWA reviews the application and if the training program meets the criteria, the MWA then grants approval as an ITA eligible program and designates such approval on the system. Once approved, the training provider's program will be eligible to serve WIA eligible customers across the state.

#### Review Process:

Initial WIA eligibility is granted for a 12-month period beginning on the date the initial program application is approved by the MWA.

If the MWA determines that the program does not meet the eligibility requirements set forth in the WIA and state and/or local policies, the MWA shall issue a denial notice within 20 working days. As a separate application for each program is required, a separate notice will be required for each training program that is being denied. The denial notice must clearly identify the program and the specific reason(s) for its denial.

A training provider may be denied WIA certification for the following reasons:

1. Descriptive information about the training program is not complete.
2. Required performance data is not included with the application (for subsequent eligibility).<sup>1</sup>
3. Inaccurate information regarding a program is intentionally supplied.
4. The training provider is not in good standing as determined by the MWA.

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<sup>1</sup> For initial eligibility only, training providers wishing to submit new training programs, i.e., programs which have not been in operation long enough to produce graduates, will not be required to provide graduation/completion rates, placement, and wage data with their initial application.

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A denial notice shall also advise the training provider of its right to appeal the MWA's decision within 30 working days from the date of the denial, following the established grievance and complaint procedures per [WDA Policy Issuance number 11-37](#), issued on June 1, 2012.

If the training program is not new, but has not previously received workforce development funds for training, performance data is required.

### Minimum Quality Standards:

Eligible training provider applicants have occasionally failed to proofread and/or edit the information they have provided for publication and/or have inconsistently completed required data elements. Prior to submission to the MWA for review of factors related to ITA eligibility, the WDA System Administrator will review programs for responsiveness to the required data elements and will check for typographical and grammatical errors. The standards are being applied to enforce minimum standards of quality without significant increases in the level of effort necessary to post program information on the website.

During the review process, the WDA System Administrator will communicate with applicant training providers by way of automated e-mail. When a program is "approved" by the WDA System Administrator, the training provider is notified that the program has passed its quality review and (if the school seeks ITA eligibility) that the program has been forwarded to the MWA for review. The MWA will also receive an e-mail notification that a program has been submitted for their review and approval.

The MWA reviewer shall apply the initial or subsequent eligibility standards (as appropriate) and approve or disapprove the program within 20 business days. Upon approval by the MWA, ITA eligible programs are published to the Web-site ([www.mycareereducation.org](http://www.mycareereducation.org)).

Quality control processes are in effect as each program: (a) is added to the Web-site, or (b) is resubmitted for continuing eligibility.

### Initial ITA Eligibility:

Automatic initial ITA eligibility is granted for a period of one year to programs operated by educational institutions that (1) are eligible to receive funds under Title IV of the Higher Education Opportunity Act (HEOA) of 1965, and (2) provide programs that lead to an associate degree, bachelor's degree, or certification as long as initial eligibility data is on the CECR. For example, if a student may pay for training with a Pell Grant, the program is automatically approved.

Automatic initial eligibility is also granted for a period of one year to entities that carry out programs under the National Apprenticeship Act (NAA) of 1937, (apprenticeship programs registered with the Bureau of Apprenticeship Training by the U.S.

Department of Labor[USDOL]) as long as initial eligibility data is entered onto the CECR. If a program is registered with the USDOL, the program is automatically approved.

If the training program is not new, but has not previously received workforce development funds for training, information on completion rates is required. Additionally, the MWA may require employment, and wage data, at its discretion, with the initial ITA eligibility application. The MWA may also request additional information, such as proof of licensure. If the school has previously and successfully fulfilled the terms of a training contract with an MWA, the program is automatically approved.

Training providers not extended automatic initial ITA eligibility through the HEOA or NAA will be granted initial ITA eligibility for a period of one year if they have successfully met the terms of a job training contract under the Job Training Partnership Act (JTPA) or other state or federal workforce development program, as determined by the MWA.

Training providers wishing to submit new training programs (i.e., the first day of the first class has not yet occurred, and/or the program is a new offering for the institution and meets one of the new program conditions) will not be required to provide graduation/completion rates with their initial ITA-eligibility application.

Once approved, the program is designated as ITA-eligible on the CECR and approved to serve ITA customers across the state. However, being approved to appear on the ITA-eligible list does not guarantee that any students will select the program or that MWAs will make referrals.

### Subsequent ITA Eligibility:

To retain eligibility status beyond the first year, schools are required to meet certain performance measures, including completion rate, placement rate, median hourly wages, and program price for all ITA eligible programs annually. Additionally, all ITA eligible training programs are subject to subsequent ITA eligibility procedures and minimum program performance standards each year thereafter.

Wage and placement data is required for subsequent eligibility applications for training institutions with four or more graduates in the most recent year, and may be subject to audit by the WDA's System Administrator. In accordance with the WIA, any training program failing to meet state-specified performance standards will have its ITA eligibility revoked and will not be eligible to receive WIA funding.

Subsequent eligibility applications for programs failing to meet state-specified performance standards may be considered for eligibility at the discretion of the reviewing MWA, provided that the training provider can give sufficient reason for a program to be exempt from these performance standards.

Definitions for each of the performance measures are included in Attachment A.

### Local Policy on Subsequent ITA Eligibility:

The CECR and its embedded ITA application process reflects and implements the WIA and state-level policy. Where both state policy and the WIA are silent, local reviewers must exercise discretion. In such instances, a local policy is recommended, but not required. In the review of subsequent eligibility applications, there are four occasions requiring MWAs to exercise discretion and for which a local policy is recommended:

1. Programs that do not meet performance standards can be approved or disapproved at the discretion of the MWA. The WIA explicitly states that each governor's subsequent eligibility procedure must ensure that local boards consider "the specific economic, geographic, and demographic factors in the local areas in which providers seeking eligibility are located" and "the characteristics of the populations served by providers seeking eligibility, including the demonstrated difficulties in serving such populations, where applicable."

For example, if a program fails to meet performance standards, the school may provide supplemental information that demonstrates that local economic conditions render the placement and wage expectations unrealistic and/or that the program serves many hard-to-serve students, rendering the completion expectations unreasonable. The MWA may request additional information and approve or disapprove the program at its discretion.

2. Programs that neither meet nor fail to meet performance standards will be quite common on the CECR. A program neither meets nor fails to meet performance standards if it lacks a documented track record – programs lasting more than one year can experience years in which no one graduates and no one drops out, and for which a completion rate cannot be calculated. Similarly, if all program graduates transfer to continuing education in a related field, there are zero graduates available for employment, and the starting wage rate is undefined. In such situations, subsequent eligibility applications will be passed to local reviewers for decision. Neither the WIA nor the state policy requires approval or disapproval.
3. Subsequent eligibility applications may be submitted for programs with three or fewer graduates without employment and wage data. The rationale for this permission is that participating schools may experience general success with their follow-up surveys and yet, on occasion, find that no surveys were returned for a given program with a low count of completers. In such circumstances, the MWA may opt to approve the program despite the absence of performance data or may opt to reject the application.
4. Program performance data that includes outcomes for fewer than 50 percent of the completers may be of questionable value. In instances where data is submitted with a "number not surveyed" constituting half (50 percent) or more

of the annual count of program completers, the employment rate will be displayed (to both reviewers and the viewing public) as “not available.” Raw counts of students in various outcome categories (i.e., “not surveyed,” “employed,” “transfers”) will also be presented to both reviewers and the viewing public. The reviewing MWA must decide whether or not to accept the low quality data as evidence of program performance.

All four conditions requiring the MWA to exercise discretion may also apply to initial eligibility applications. For those schools that do not meet any of the WIA criteria for automatic initial eligibility, the MWA may, at its discretion, require full performance data, including completion, employment, and wage information. In such circumstances, the reduced data requirements associated with initial eligibility do not apply, and any of the above-described issues may emerge.

### Qualified Training Providers:

All entities must meet appropriate state licensure or approval requirements. The following types of providers may apply for program certification/recertification as eligible training providers on the CECR:

1. Post-Secondary educational programs that are:
  - a. Eligible to receive funds under Title IV of the HEOA of 1965, and
  - b. Provide a program that leads to an Associate degree, Bachelor’s degree or certificate.
2. Post-Secondary educational institutions seeking training funds for a program(s) that does not lead to an Associate or Baccalaureate degree, certification, or a program(s) that is not funded under Title IV of the Higher Education Act of 1965.
3. Public and private providers of a program of training services, which includes entities such as some vocational-technical schools, community based organizations, private training companies, labor organizations, and employer organizations.
4. Entities that carry out programs under the National Apprenticeship Act of 1937. These entities include universities, colleges, some community colleges, some vocational-technical colleges, some proprietary schools, and apprenticeship programs registered with the Federal Bureau of Apprenticeship Training.
5. A MWA that has applied for, and been granted a waiver by the governor as outlined in Section 117(f) (b) of the Act. *(Note: this is not applicable to Michigan).*

6. The development of workforce investment programs encourages local flexibility and innovation for providing training options. In keeping with the intent to maximize customer choice, the USDOL Employment and Training Administration (ETA) encourages states and local areas to include distance education programs on the CECR, as appropriate, to ensure the broadest array of available resources. Distance education programs, also known as e-learning and Technology-Based Learning (TBL) may be incorporated into the technical instruction component of training.

TBL programs are not required to be licensed as a proprietary school in Michigan to provide on-line instruction, unless there is a physical presence in the State.

TBL programs must adhere with definitions and guidelines to be approved by the Michigan Department of Education.

TBL should also be considered for WIA intensive services, such as limited English Proficiency classes, remedial skills training, GED or other test preparatory activities, or other appropriate intensive services-related activities. When used appropriately, TBL provides a valuable tool for expanding options for training and other activities. If TBL is not being used as an intensive service, it must meet CECR standards and result in a degree or certification.

7. A local board may still award contracts for “class size training,” in some circumstances, such as Incumbent Worker Training activities. That is, a local board may still contract to an institution of higher education or other training provider if the local board determines that it would facilitate the training of multiple individuals in high-demand occupations, provided that the contract does not limit customer choice.

### Exemptions:

Work-based training may be provided under the authority of several types of training services authorized by the WIA, such as programs that combine workplace training with related instruction or training programs operated by the private sector, if the provider of the related instructional portion of the training program is listed on the CECR.

The following work-based training activities are exempt from utilizing the CECR process:

1. Entities that carry out programs under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act;” (50 Stat. 664, Chapter 663, 29 U.S.C. 50 et. seq.), *only for the portion of the training that is on-the-job with the mentor.* For the formal (classroom) portion of the training, the related technical instruction provider is required to be listed on the CECR.

2. On-the-Job-Training and customized training as defined by the WIA,
3. TAA participants are not limited to programs on the CECR and may access training from any private or public school regulated by a state agency.
4. Intensive Services: Stand-alone programs, such as job readiness, basic skills, career exploration, and reading literacy programs will not be considered as training programs eligible for ITAs. Educational programs that are not occupation-specific and are less than 90 days in duration are considered to be WIA intensive services activities. These programs provide instruction wherein knowledge obtained can be used in many different jobs and are therefore not industry or job specific. They are designed to provide participants with short-term skill upgrade assistance to enable them to become job ready or advance up the career ladder. Examples include keyboarding, computer services, CPR, and OSHA certifications. This exception does not include short-term training programs for specific occupations such as nursing assistant, phlebotomist, and truck driving.
  - a. Skill enhancement is considered to be short-term, prevocational, and therefore is classified as an intensive service.
  - b. Short-term, prevocational services are not tied to a specific occupation and include course-like services such as literacy and adult basic education, workplace literacy, introductory computer classes, as well as development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills and professional conduct to prepare individuals for unsubsidized employment or training.

WIA Section 134(d)(4)(D)(iii) stipulates that adult education and literacy activities must be provided in combination with any other of the following training services (1) occupational training, (2) On-the-Job training, (3) programs that combine workplace training with related instruction, which may include cooperative education programs, (4) training programs operated by the private sector, (5) skill upgrading and retraining, (6) entrepreneurial training, (7) job readiness training.

- c. Commercially available off-the-shelf skill refresher programs designed to assist individuals who have completed training but need courses of study to renew a license are considered to be WIA Intensive service activities. Examples include Registered Nursing or Licensed Practical Nurse refresher courses.

### Apprenticeship & Pre-Apprenticeship Programs:

Registered apprenticeship programs are entities that carry out programs under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act;” (50 Stat. 664, Chapter 663, 29 U.S.C. 50 et. seq.). Registered Apprenticeship is a national training system that combines paid learning with On-the-Job-related technical and theoretical instruction in a skilled occupation. The purpose of a Registered Apprenticeship program is to enable employers to develop and apply industry standards to training programs that can increase productivity and improve the quality of the workforce. Certifications earned through Registered Apprenticeship programs are recognized nationwide as portable industry credentials. Registered Apprenticeships result in positive outcomes under some common measures, such as entered employment retention, and average earnings.

For eligible apprentices, ITAs may be used to support the related instruction portion (e.g., classroom based or online learning) of their Registered Apprenticeship training, in partnership with Registered Apprenticeship sponsors through customized or On-the-Job-Training agreements.

The USDOL recognizes pre-apprenticeship programs, but does not formally register them. Pre-Apprenticeship programs act as a bridge, with the intent to place participants into registered apprenticeship programs. ITAs may be used to provide individuals with access to the technical and theoretical portion of the pre-apprenticeship training in preparation for formal apprenticeships. Pre-apprenticeship program training providers are not registered or certified by the USDOL; therefore their related technical instruction portion of their curriculum and training program must meet all ITA eligibility requirements, and the curriculum must be based on industry standards and they must be approved by the documented, registered apprenticeship partners that the pre-apprenticeship program will prepare individuals with the skills and competencies they need to enter one or more Registered Apprenticeship programs.

Apprenticeship and pre-apprenticeship training programs can be an important component of an industry and cluster development strategy, as well as an effective means of advancing growth and competitiveness for individual small and/or groups of related businesses. In a demand-driven environment, the public workforce system at the federal, state, and local levels, works collaboratively with business and industry, economic development, education, training providers, and other key partners on talent development strategies and workforce solutions to provide workers with the skills businesses need. Registered Apprenticeship is a potential workforce solution that contributes to the development of industry-defined competencies and also serves as a proven industry-driven workforce education and preparation strategy for workers.

### Self-Employment & Entrepreneurship Training:

Supporting the development of new small businesses through entrepreneurship is an increasingly important strategy in accelerating the pace of economic recovery. As the workforce system supports the nation's economic recovery, providing entrepreneurship training and assistance in a more systemic and strategic fashion is another way the system can leverage its resources to support unemployed and underemployed workers, and create jobs.

The WIA allows states to provide Adults and Dislocated Workers occupational skills training, including training for non-traditional employment, and entrepreneurial training. Self-employment and entrepreneurship training programs can, and should be licensed and included on the CECR. Workforce Boards and One-Stop Centers are encouraged to develop Memorandums of Understanding or other formal and informal agreements with appropriate partners to promote self-employment services and/or training.

Examples of appropriate partners include:

1. Small Business Administration programs, including:
  - a. Michigan Small Business Technology Development Centers (MSBTDC)
  - b. Service Corps of Retired Executives (SCORE)
  - c. Women's Business Centers through the Office of Women's Business Ownership (OWBO)
  - d. Office of Veteran's Business Development
2. Department of Veteran's Affairs:
  - a. National Veteran's Business Development Corp.
  - b. Vocational Rehabilitation & Employment Services
  - c. Center for Veteran's Enterprise
3. Vocational Rehabilitation Programs through the U.S. Department of Education

WIA funds may be used to train new entrepreneurs and small business owners. Training can range from general business courses to specific courses on such topics as how to address legal and personnel issues. WIA funds can also be used to pay costs associated with obtaining a skill or credential that demonstrates the expertise of the entrepreneur or a small business owner. Examples include a barbering credential, a certified pension consultant, title examiner, or notary. Funds may not be used to cover the costs associated with standard business licenses or degrees that do not pertain to a specific skill or occupation.

### Section III: Performance Standards

The WIA requires establishment of minimum performance standards for the subsequent eligibility of training programs posted on the CECR system. Subsequent ITA eligibility in Michigan is determined on a rolling basis, with a program's initial eligibility period expiring one year from the date upon which the program was approved by the MWA.

#### Required Performance Information for Initial ITA Eligibility:

Performance data is recommended, but not currently required for programs that do not wish to serve ITA-funded students. For programs that wish to accept students whose training is paid for through an ITA, the following performance information is required.

- Completion or graduation rate (not required for new programs, i.e., programs which have not been in operation long enough to produce graduates)
- Program price

Not all data is required upon initial application. The law allows a one-year grace period for every program that schools would like to make available to a student-issued ITA. During the initial eligibility period, performance-reporting requirements are less comprehensive and applications are approved on the basis of the school's characteristics and service record.

Training providers will enter their performance data into the system via the Internet ([www.datamdc.org](http://www.datamdc.org)) where it then will be routed to the appropriate MWA for approval. The training provider is responsible for collecting and reporting this data. All performance data must be verifiable and subject to audit by the WDA's System Administrator. In accordance with the Act, any program failing to meet state-specified performance standards will have its ITA eligibility removed from the CECR and will not be eligible to receive additional WIA funding.

Under any of the following conditions, an application for placement on the CECR is assured automatic initial eligibility. However, information on completion rates and program price are required for initial eligibility.

- If a student may pay for training with a Pell Grant, the program is automatically approved.
- If a program is registered with the Bureau of Apprenticeship Training within the USDOL, the program is automatically approved.

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- If the school has previously and successfully fulfilled the terms of a training contract with a MWA, the program is automatically approved.

Other schools may apply, and their applications will be approved or disapproved at the discretion of the MWA.

### Required Performance Information for Subsequent ITA Eligibility:

After the one-year period of initial eligibility expires, minimum acceptable levels of performance are applied to applications for subsequent eligibility. A training program's performance data must continue to be updated annually, and training programs may be approved or disapproved, based on their specific performance.

To remain WIA-eligible, training providers will be required to submit verifiable program-specific performance data required of **all** training providers who post programs, including program price, completion or graduation rate, placement rate, and wages at placement for **all** students enrolled in the program.

All applications for subsequent eligibility will be processed through the CECR system. Data for these measures will be acquired by the WDA on behalf of the participating schools from the OSMIS, including quarterly Unemployment Insurance wage record data and supplemental data gathered by the MWAs. Program-specific performance measures for services to ITA-funded students will be calculated by the WDA and the results disseminated to the MWAs and affected schools.

Additional information describing how performance measures are defined and calculated is provided in Attachment B.

### Minimum Performance Standards:

The WDA, through its System Administrator, is responsible for the development, operation, and maintenance of the CECR. The WDA System Administrator will notify training providers that subsequent program eligibility must be renewed 90 days prior to the eligibility renewal date. Once the electronic renewal application is completed by the training provider, it will be forwarded to the appropriate MWA for review. The MWA will make the determination for subsequent eligibility within 20 days of the receipt of the electronic application. In the event that an MWA does not take action within this time frame, the WDA's System Administrator has been granted the authority to act on the MWA's behalf.

### Performance Measures for All Students:

For subsequent eligibility, a training program must meet three performance measures for all students enrolled in a training program, regardless of whether or not students received WIA-funded training.

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Performance measures for all students are:

- |                                     |        |
|-------------------------------------|--------|
| 1. Completion Rate, All Students    | 50%    |
| 2. Placement Rate, All Students     | 40%    |
| 3. Wages at Placement, All Students | \$7.50 |

### Performance Measures for ITA-Funded Students:

In order to retain subsequent ITA eligibility, a training program must meet four performance measures for ITA-funded students enrolled in the program.

Performance measures for ITA-funded students are:

- |  |         |
|--|---------|
| 1. Completion and Placement Rate, ITA Students | 70%     |
| 2. Six-Month Retention Rate, ITA Students      | 75%     |
| 3. Wages at Six Months, ITA Students           | \$3,100 |
| 4. Certification Rate, ITA Students            | 50%     |

Data for these measures will be acquired by the WDA on behalf of the participating schools from the OSMIS, including quarterly UI wage record data and supplemental data gathered by the MWAs. Program-specific performance measures for services to ITA-funded students will be calculated by the WDA and the results disseminated to the MWAs and affected schools.

Program specific performance measures for service to ITA-funded students will be calculated on a semi-annual basis. An 11-month consecutive time lag applies to the combined completion and employment statistics, while a 17-month consecutive time lag applies to the six-month statistics for employment retention and wages. Program-specific measures will be applied retrospectively for those programs that have retained ITA eligibility status.

### Exceptions:

Under WIA Section 122, MWAs have the authority to consider local economic conditions and the economic and demographic characteristics of the students a school serves when reviewing applications for subsequent eligibility.

Training providers seeking subsequent eligibility approval under these circumstances must be able to provide supportive documentation for each training program affected. In the program information presented for MWA review, a subsequent eligibility application will either demonstrate that the program

performance is at or above the state standards or will include an initial justification of below-standards performance. The MWA reviewing an application reserves the right to determine whether or not the justification given by the training provider is satisfactory for approval. If the initial justification of below-standards performance is not satisfactory to the MWA, the “reason for disapproval” box may be used to send a message to the school indicating such. The message should be pasted into the body of the e-mail notification to the school.

Programs serving fewer than four ITA-funded students during a program year are exempt from ITA-specific program performance measures.

### Programs Determined to be Ineligible:

On a semiannual basis, the MWAs will be provided with a list of programs failing ITA specific program performance measures. The ITA eligibility designation will be removed from these programs’ profiles on the CECR unless the governing MWA wishes to retain a given program on the list. MWAs wishing to grant an exception for a specific program or programs should notify the WDA’s System Administrator at (517) 485-4477 or via e-mail to [CECR@publicpolicy.com](mailto:CECR@publicpolicy.com).

If the MWA determines a training program is ineligible, the program will then be removed from the CECR. Training providers will be notified as to why the training program was determined ineligible.

Providers may also be removed under the following conditions:

- Inaccurate information regarding a program is intentionally supplied, a termination of eligibility will occur for a 12-month period.
- It is determined an eligible provider has substantially violated any requirements under the Act; the provider’s eligibility to receive funds for the program in question will be terminated for a 12-month period.
- A training provider does not reapply under subsequent eligibility procedures; they will be removed from the CECR.
- A provider fails to meet or exceed established performance levels, the provider’s eligibility to receive funds may be suspended for a 12-month period.
- A training provider that substantially violates the terms outlined in a training agreement with an MWA or one of its subrecipients, may be considered to be in noncompliance as defined under Section 122(f) of the WIA and thereby subject to removal from the CECR. An example of a substantial violation may

include, but is not limited to, ceasing operations prior to delivering all training services.

Training providers determined to have intentionally supplied inaccurate information or have subsequently violated any provision of Title I of the WIA or supporting federal regulations, will be removed from the CECR. A provider whose eligibility is terminated under these conditions will be liable to repay, from non-federal funds, all WIA training funds received during the period of non-compliance. To be reinstated on the CECR, the training institution must reapply under subsequent eligibility procedures, retain their Title IV status, retain licensure, and meet all performance measures.

### **Section IV: CECR Program Audits:**

As the organization responsible for the administration of the CECR, the WDA's System Administrator has the authority to perform random audits of data provided by training providers. When schools list or update programs, they must agree to certain assurances, including access to all records and processes used to generate program information for public listing on the CECR. In the event of an audit, the training institution is required to provide supporting documentation to validate completion in cases of initial eligibility, and to validate completion, placement, and wage data in cases of subsequent eligibility.

As such, all training providers on the CECR have agreed to participate in an audit process for every program listed.

The primary focus of audits is to verify program performance data. Training providers are required to provide information on students' training outcomes, and make available records that document and verify how students were surveyed for data, which students responded to the survey, and what data the students provided. These records will be considered sufficient to verify that schools are reporting data provided by the student completing the program.

Additional program descriptive data from licensure sources such as Michigan's Proprietary Schools Unit and/or materials published by schools may also be examined in order to determine deviation in price and the length of training. This information ensures that prices posted on the CECR are accurate and that ITA students are not being charged at a different rate than non-ITA students.

#### Audit Selection Process:

The WDA's System Administrator will select schools for audits annually. Each year, the System Administrator will examine the schools that updated and had programs approved during the previous year. Schools that have multiple locations may be combined if they have the same contact person listed for each. When selecting eligible schools to be audited, the WDA's System Administrator will exclude schools that have previously been audited within the past three years and programs that are in initial eligibility, (these programs are not yet required to have placement and wage data). Twenty-five of the remaining schools will be randomly selected for audit.

Once a school has been selected for audit, the number of its programs to be reviewed will depend on the number of programs offered by the school. A minimum of ten (10) percent of the programs from each of the schools selected will be audited. Table 1 displays the number of programs that will be randomly selected to be examined in the audit process.

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### Audit Notification Process:

If an institution is chosen for audit, the institution's contact person will receive a letter and an e-mail outlining the audit process, the documentation needed by the WDA's System Administrator to complete the audit, and contact information if there are questions concerning the audit. The head of the training institution is also included in the notification.

The WDA's System Administrator will make three (3) attempts to obtain the information if a response is not received within ten (10) business days following the e-mail notification. The WDA's System Administrator will then attempt to reach the institution's designated contact, along with the head of the training institution, by phone. If the WDA's System Administrator does not receive the requested information, following the three attempts, the school is considered to be non-responsive and the training program will no longer be considered ITA-eligible. Once the information is submitted and verified, the school may regain its ITA eligibility.

### Site Visit:

A limited number of site visits may be necessary under the following circumstances: (a) the information submitted following mail or phone contact(s) is not in the required format and (b) the information submitted doesn't include the level of detail needed.

If unintentional errors are discovered and corrections can be quickly made, the program may remain on the CECR as ITA-eligible. If it is not feasible to correct data-entry errors immediately, ITA-eligibility will be temporarily suspended until accurate data can be submitted.

### Potential Penalties:

Any of the following outcomes from the audit process may result in CECR suspension:

1. Data reported to the CECR is not supported by physical surveys or evidence (electronic or otherwise) that surveys were completed;
2. Survey data has been willfully misrepresented on the CECR; and
3. The school is unwilling to provide identifying information for program graduates and/or necessary documentation for the audit.

Schools that are removed from the CECR due to audit findings may reapply for ITA eligibility after 12 months. Any school that has been removed from the CECR will automatically be re-audited sixty days after participation in the program is resumed.

### Section V: Licensing Requirements

The CECR website allows the WDA's System Administrator to review programs for compliance with applicable licensing laws.

This review will occur prior to the program's submission to the MWA for review on factors related to ITA eligibility. The licensing review will consider all licensing laws that may apply to any given training program. The WDA's System Administrator can remove an organization and its programs from the list in the event a license is revoked or suspended.

#### Proprietary Schools:

In addition to degree granting colleges and universities which are authorized to operate in the State of Michigan, a wide range of private career schools are also available to Michigan students. Pursuant to Act 148, Public Acts of 1943, as amended, no person(s), firm, corporation, or private organization may conduct a private trade school, business school, or institute in Michigan without first obtaining a license. Private trade schools, often called proprietary schools, offer programs which train a person for a trade, occupation or vocation, usually to individuals beyond the high school level. In Michigan, these schools offer diplomas or certificates, rather than degrees.

Proprietary Schools must be licensed by the State of Michigan. In Michigan, per statute, a proprietary school means a school that uses a certain plan or method to teach a trade, occupation, or vocation for consideration, reward, or promise of any kind. Proprietary school includes, but is not limited to a private business, trade, or home study school.

Proprietary school does not include any of the following:

1. A school or college possessing authority to grant degrees.
2. A school licensed by law through another board or department of this state.
3. A school maintained or a program conducted, without profit, by a person for that person's employees.

Most privately owned organizations that offer occupational training for a fee or other consideration are legally required to be licensed by the Michigan Department of Licensing and Regulatory Affairs (LARA) Proprietary Schools Unit. Non-profit organizations offering occupational training are also subject to licensing requirements. A license must be granted for each site at which training is delivered.

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In addition to proprietary school licensure by the State, there may be specific requirements that apply to schools preparing students for certain licensed occupations; or circumstances where proprietary school licensing requirements do not apply, such as work-based training programs (Registered Apprenticeships, and On-the-Job or customized training activities).

### Registered Apprenticeships:

In general, employers or groups of employers who provide training for their own employees, or where a labor union or trade association delivers portions of the training as part of a Registered Apprenticeship program, the training program is exempt from the proprietary school licensing requirement. The key to exemption is the employer-employee relationship. If the training program is being paid for through a USDOL registered apprenticeship sponsor, (i.e., the training is not funded by grant funds), it is exempt from licensure requirements.

Otherwise, without the employer/employee relationship, if the organization is teaching a trade occupation or vocation for a fee or consideration of any kind (from any party), then a license is required. Simply stated, if a training program operator opens its doors to the public and charges a fee to anyone (including grant funding) then a proprietary school license is required.

Apprenticeship programs do not have to be licensed as a proprietary school if the training is paid through employer sponsorship, but they must be registered with USDOL's apprenticeship office. Verification of apprenticeship sponsors can be obtained via the following USDOL website: <http://oa.doleta.gov/>.

### Special Licensing Requirements:

Schools that are headquartered or located outside of Michigan are subject to some special requirements. Schools that are located in another state but recruit and serve Michigan residents must apply for a certificate of compliance and be licensed to solicit business in Michigan. Schools that are headquartered in another state but offer training at a Michigan location must have the appropriate Michigan license.

Some special requirements also apply to schools that prepare students to enter a licensed occupation.

- All Real Estate, Builders, and Auctioneering Programs are licensed by LARA's Proprietary Schools Unit. These schools must also have their individuals and programs and instructors approved by LARA's Bureau of Commercial Services, P.O. Box 30018, Lansing, Michigan 48909. For further information, log on to: [http://www.michigan.gov/lara/0,4601,7-154-35299\\_61343\\_35414---,00.html](http://www.michigan.gov/lara/0,4601,7-154-35299_61343_35414---,00.html).

1. Auctioneer Schools and Programs: (517) 241-8720

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2. Real Estate Schools and Programs: (517) 373-7353
  3. Residential Builders Schools and Programs: (517) 373-8376
- Commercial vehicle driver training schools and programs are licensed by the Michigan Department of State, Driver Programs Division – Driver Education Section, 430 West Allegan Street, 3<sup>rd</sup> Floor, Lansing, Michigan 48918. For further information, log on to:  
[http://www.michigan.gov/documents/sos/DES -  
Report Certified Truck Driver Programs 251546 7.pdf](http://www.michigan.gov/documents/sos/DES_Report_Certified_Truck_Driver_Programs_251546_7.pdf). For a list of approved driver training programs go to:  
[http://www.michigan.gov/documents/sos/DES -  
Report Active Driver Education Providers 219700 7.pdf](http://www.michigan.gov/documents/sos/DES_Report_Active_Driver_Education_Providers_219700_7.pdf).

### Exceptions:

1. The Proprietary School Licensing Section licenses heavy equipment schools;
  2. Driver training programs for school bus driver safety education and continuing education courses are licensed by the Michigan Department of Education. For further information, log on to  
[http://www.michigan.gov/mde/0,4615,7-140-6530\\_6569\\_38338---  
.00.html](http://www.michigan.gov/mde/0,4615,7-140-6530_6569_38338---,00.html).
- Cosmetology and barber programs are licensed by LARA’s Board of Barber Examiners and Board of Cosmetology, P.O. Box 30018, Lansing Michigan, 48909. For information on Barber and Cosmetology schools and programs, call (517) 241-8270 or log on to: [www.michigan.gov/barbers](http://www.michigan.gov/barbers) or [www.michigan.gov/cosmetology](http://www.michigan.gov/cosmetology).
    1. For a list of approved barber schools go to:  
<http://www.dleg.state.mi.us/bcsc/forms/barb/schools.pdf>.
    2. For a list of approved cosmetology schools go to:  
<http://www.dleg.state.mi.us/bcsc/forms/cos/schlist.pdf>.
  - LARA licenses all schools offering non-degree Registered Nursing and Licensed Practical Nurse training. These schools must also have their individual programs approved by the Michigan Board of Nursing, Department of Community Health, Bureau of Health Professions, P.O. Box 30670, Lansing, Michigan 48909. For information on nursing schools and programs, call (517) 373-4674. For further information, log on to [www.michigan.gov/healthlicense](http://www.michigan.gov/healthlicense). For a list of degree-granting nurse training programs, go to  
[http://www.michigan.gov/documents/mdch\\_nurse approved prog 98366  
7.pdf](http://www.michigan.gov/documents/mdch_nurse_approved_prog_98366_7.pdf).

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- LARA licenses nurse aide training programs conducted by non-state licensed nursing homes. This also includes nurse aid training programs conducted by state-licensed if they provide training to anyone other than their own employees or employees of another state-licensed nursing home. In all instances, these schools must also have their individual programs approved by the Michigan Department of Community Health, Bureau of Health Professions, P.O. Box 30670, Lansing, Michigan 48909. For information on nurse aid programs, call (517) 241-3728. For further information, log on to [www.michigan.gov/healthlicense](http://www.michigan.gov/healthlicense). For a list of granting nurse aid training programs, go to: [http://www.michigan.gov/lara/0,4601,7-154-35299\\_63294\\_27529\\_27544---,00.html](http://www.michigan.gov/lara/0,4601,7-154-35299_63294_27529_27544---,00.html).
- Pesticide and Plant Pest Management Programs are licensed by the Michigan Department of Agriculture. For information on Pesticide and Plant Pest Management Programs, call (517) 241-6666. For further information, log on to: [http://www.michigan.gov/mda/0,1607,7-125-1569\\_16988---,00.html](http://www.michigan.gov/mda/0,1607,7-125-1569_16988---,00.html).
- Private Security Police training schools are licensed by LARA. These schools must also have their individual programs approved by the Michigan Commission on Law Enforcement Standards (MCOLES), 106 West Allegan Street, Suite 600, Lansing, Michigan 48933. For information on private security police schools and programs, call (517) 322-3966. For further information, log on to [www.michigan.gov/mcoles](http://www.michigan.gov/mcoles). For a list of approved police training academies, go to: <http://www.michigan.gov/mcoles/0,4607,7-229--148096--,00.html>.
- Utility company education programs are licensed by the Michigan Public Service Commission (MPSC) within LARA. Utility companies that provide education programs to their commercial customers on how to reduce energy costs as part of their Energy Optimization Plans approved by the MPSC as required by P.A. 295 of 2008 are exempt from licensing as a proprietary school. For information on utility company education programs, call (517) 241-6180. For further information, log on to <http://www.michigan.gov/mpsc>.
- Aeronautics schools and programs that teach flying and ground work relative to flying are inspected and licenses annually by the Michigan Department of Transportation (MDOT), Office of Aeronautics, Lansing Capital Region International Airport, 2700 Port Lansing Road, Lansing, Michigan 48906. For information on aeronautics schools and programs, see <http://michigan.gov/aero/0,4533,7-145-6774---,00.html>. For a listing of aeronautics schools licensed by MDOT go to: [http://www.michigan.gov/documents/aero/licensed\\_Flight\\_Schools\\_321620\\_7.pdf](http://www.michigan.gov/documents/aero/licensed_Flight_Schools_321620_7.pdf) Schools teaching aircraft mechanics, dispatchers and technicians are licensed by the Proprietary Schools Licensing section.

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- Asbestos abatement training programs/hazardous material training schools and programs are licensed through LARA, Michigan Occupational Safety & Health Division – Asbestos Program, 7150 Harris Drive, P.O. Box 30671, Lansing, Michigan, 48909-8171. For information on asbestos abatement training schools and programs or a list of approved asbestos training programs go to [http://www.michigan.gov/lara/0,4601,7-154-61256\\_11407\\_15333\\_15369---,00.html](http://www.michigan.gov/lara/0,4601,7-154-61256_11407_15333_15369---,00.html).
- Lead Abatement Training Programs are accredited under the Lead Abatement Act and are not required to hold a proprietary school license. Contact the Certification and Compliance Officer, Michigan Department of Community Health, Lead Abatement at (517) 335-8466 or [http://www.michigan.gov/mdch/0,1607,7-132-2940\\_2955\\_2983-44657--00.html](http://www.michigan.gov/mdch/0,1607,7-132-2940_2955_2983-44657--00.html).
- Fire Fighter Training, with a few exceptions, is not handled by LARA's Licensing Division because fire fighter trainees are normally already employed or otherwise attached to a fire department or attending a Regional Training Center, approved by the Office of Firefighter Training. Contact LARA, Bureau of Fire Services, Office of Firefighter Training, 525 West Allegan Street, 4<sup>th</sup> Floor, Lansing, Michigan 48913. For information on fire fighter training, call (517) 241-8847 or log on to: [http://www.michigan.gov/lara/0,4601,7-154-35299\\_42271\\_42325---00.html](http://www.michigan.gov/lara/0,4601,7-154-35299_42271_42325---00.html).
- Emergency Medical Services (EMS) schools and Paramedic programs are licensed by the Proprietary Schools Licensing Section in cooperation with the Michigan Department of Community Health (MDCH).
  1. All facilities offering paramedic programs must be licensed as a proprietary school through LARA and have paramedic program approval by MDCH.

Exclusions: Hospitals licensed by MDCH under the Public Health Code, State of Michigan approved colleges, and secondary schools, adult education centers and vocational/technical schools that operate under the authority of the State Board of Education must have paramedic program approval from MDCH only.
  2. All facilities offering any other type of EMS program must be licensed as a proprietary school through LARA and have EMS program approval from MDCH.

Exclusions: Life support agencies and hospital licensed by MDCH under the Public Health Code, State of Michigan approved colleges, and

secondary schools, adult education centers and vocational/technical schools that operate under the authority of the State Board of Education, must have EMS program approval from MDCH only.

For information on EMS programs, contact EMS and Trauma Systems Section, Capital View Building, 6<sup>th</sup> Floor, 201 Townsend Street, Lansing, Michigan 48913, or log on to [http://www.michigan.gov/mdch/0,4612,7-132-2946\\_5093\\_28508-132259--,00.html](http://www.michigan.gov/mdch/0,4612,7-132-2946_5093_28508-132259--,00.html).

- Insurance Continuing Education and Pre-Licensure Training Providers are approved by LARA, Office of Financial and Insurance Regulations (OFIR), 611 West Ottawa Street, Lansing, Michigan 48933-1070. For information on insurance and mortgage training programs, call (877) 999-6442 or log on to: [http://www.michigan.gov/lara/0,4601,7-154-10555\\_22535---00.html](http://www.michigan.gov/lara/0,4601,7-154-10555_22535---00.html).

### Section VI: Public Assembly and Auxiliary Classrooms

Public Act 148 of 1943 390.562(5) states “A separate permit is required for each location at which instruction is offered, except a school may offer instruction at an auxiliary classroom or public assembly site without obtaining a separate permit for that location. Schools such as income tax schools that offer identical programs at multiple locations under the same management for less than six months each year as stated on the application may submit one application for all sites and pay one fee.”

Section 390.561 (k) defines “Public assembly site” as a site located in a public educational institution or located in a public meeting area suitable for instruction. Section 390.561 (c) states “Auxiliary classroom” is defined as a facility, which is used only for instruction by the proprietary school and which is located not more than one mile from the location at which the proprietary school is licensed to operate.

#### State Policy:

A school may hold instruction at a public assembly site and/or auxiliary classroom(s) and will not be required to hold a separate license. Schools must keep a written record of which public assembly and/or auxiliary sites they use, the dates the classes are held at these sites, and maintain copies of appropriate fire and/or safety inspection records for each site. These records must be made available to the state staff upon request. Schools that utilize public assembly and/or auxiliary classrooms are required to list these sites on the LARA Proprietary Schools Website for public viewing whenever possible.

#### Public Assembly Site Criteria:

The following criteria will be used to determine if a school site meets the standards as a public assembly site.

1. The instructional site is not the primary site for instruction of the school and;
2. Only intermittent training is offered and the total length of any training at one site is less than six months in a year; and
3. No school office is located at the public assembly site; and
4. The room or other space in a building must accommodate students in an instructional setting compensatory to the approved program of study, including all connected rooms and space, which share a common means of entrance and egress; and
5. Place of public assembly does not include a private family dwelling; and

6. Appropriate fire and/or health and safety inspection reports are available upon request for state inspection.

**Or**

The site is located at a public university, community college, or K-12 public school and the total length of training is less than six months in a year.

**Or**

Instruction takes place at an employer's place of business for only employees of that employer. The facility is duly authorized by state or local municipalities to conduct business at that location. The total length of any training at one site is less than six months in a year.

Auxiliary Classroom Criteria:

The following criteria will be used to determine if a school site meets the standards as an auxiliary classroom.

1. The facility must only be used for instruction; and
2. The facility must be located not more than one mile from the location at which the proprietary school is licensed to operate; and
3. The room or other space in a building must accommodate students in an instructional setting compensatory to the approved program of study, including all connected rooms and space, which share a common means of entrance and egress; and
4. An auxiliary classroom does not include a private family dwelling; and
5. An appropriate fire and/or health and safety inspection reports are available upon request for State inspection.

Certification and Assurance:

Proprietary school operators will certify and assure that the provisions of this policy are adhered to at initial application for a license to operate a proprietary school and at each subsequent license renewal.

Inspection and Failure to Comply:

Adherence to this policy is subject to on-site inspection by LARA's Proprietary Schools Unit. Failure to comply with this policy is a violation of the law and may be

subject to corrective action and/or license suspension, license revocation, and/or criminal charges.

### Section VII: ITAs and Youth Programs

#### Older Youth ITA Waiver Requirements:

Section 123 (29 U.S.C. 2843) of the WIA requires identification of eligible youth service providers by awarding grants and contracts on a competitive basis for youth activities and services.

The CECR is a statewide compilation of training providers that are approved to provide services to adults and dislocated workers and is not a substitute for the requirements for selections of eligible providers of youth activities under WIA Section 123. In order to utilize ITAs for older youth, the MWA must have an approved waiver from the regulatory prohibition of using ITAs for older youth. The waiver allows older youth with the ITAs to select training providers from the CECR.

The opportunity to earn credentials in less than two years may be attractive for youth and young at-risk, out-of-school youth, or youth with some other barrier to employment. Industry-recognized credentials that can be earned in as little as six-months to-two-years provides an alternative to more lengthy and costly undergraduate degrees.

## Attachment A

### Definitions for Subsequent ITA Eligibility

- I. Completion or Graduation Rate, All Students:  
The number of students who complete a program during the reporting year expressed as a percentage of all students who exit the program at any time during the reporting year.
- II. Placement Rate, All Students:  
  
The number of students, who, within six months of completion, are employed, expressed as a percentage of all students who complete the program.  
  
Completers who continue their studies at a transfer institution, enter the military, or become self-employed are considered a successful placement for purposes of this measure.
- III. Wages at Placement, All Students:  
  
The median of the starting wages (converted to dollars per hour) of all students who, within 180 days of successfully completing the program, obtained gainful unsubsidized employment.
- IV. Completion and Employment Rate, ITA-Funded Students:  
  
The percentage of ITA-funded students having exited the WIA, who completed the training program, and are placed into unsubsidized employment.
- V. Six-Month Retention Rate, ITA-Funded Students:  
  
Of those WIA exiters who completed the training and entered employment, the percentage that earn wages in the third quarter after exit.
- VI. Average Quarterly Wages, Six Months After Exit, ITA-Funded Students:  
  
Among those WIA exiters who earn wages in the third quarter after exit, the average wages recorded in quarterly Unemployment Insurance wage record data.
- VII. Credentialing Rate, ITA-Funded Students:  
  
Where appropriate, the rates of licensure or certification, degree attainment, or other measures of skills of the graduates of the training program, as recorded in the OSMIS.

## Attachment B

### How to calculate Performance Data Elements

#### I. Completion Rate:

*The rate is expressed as a percentage and is computed by dividing the numerator by the denominator.*

##### A. Denominator:

*Count the number of students falling into categories #1 through #5 as defined below and calculate according to this equation:*

#1	(Reporting year enrollees)
Minus #2	(No formal attendance)
Minus #3	(Early placement)
Minus #4	(Current enrollees)
Minus #5	(Students who died or became totally disabled)
<hr/>	
Equals =	Denominator

1. Reporting Year Enrollees: The number of regular students who were enrolled in the program at any time during the reporting year *MINUS*
2. No Formal Attendance: The number of regular students who, during the reporting year, withdrew from, dropped out of, or were expelled from the program and were entitled to and actually received a refund of 100 percent of their tuition and fees (less any permitted administrative fee) under the institution's refund policy *MINUS*
3. Early Placement: Any student who dropped out of the program during the reporting year for gainful employment in the recognized occupation for which he/she was being trained in the program or in a related comparable recognized occupation *MINUS*
4. Current Enrollees: The total number of students still enrolled in the program. Students considered "still enrolled" are those who:
  - a) Took at least one program course that began during the reporting year, and
  - b) Neither meets the definition of "completer" nor officially withdrew from the program during the reporting year.

5. Students who died or became Totally Disabled: The total number of students enrolled in the program that died during the course of the reporting year or withdrew from classed due to becoming totally disabled

B. Numerator

1. Completers: The number of regular students who, during the reporting year, earned a degree, diploma, journeyman's card, certificate, license, or other recognized credential awarded for successfully completing the program, whether formally conferred or not.

II. Placement Rate:

*The rate is expressed as a percentage and is computed by dividing the numerator by the denominator.*

A. Denominator

*Count number of students falling into categories #1 and #2 as defined below and calculate according to this equation:*

$$\frac{\begin{array}{l} \#1 \\ \text{Minus } \#2 \\ \hline \text{Equals} = \end{array}}{\text{Denominator}} = \begin{array}{l} \text{(Completers)} \\ \text{(Same job after training)} \end{array}$$

1. Completers: as computed in Part I, Section B above *MINUS*
2. Same job after training: students who were employed during the reporting year and kept the same position with the same employer after successfully completing the program.

B. Numerator

1. Placed Completers: the number of graduates who meet condition a, b, c, or d:
  - a) Obtained gainful unsubsidized employment in the recognized occupation for which they were trained or in a related comparable recognized occupation within 180 days of the day they earned their credential; OR
  - b) Transferred to another education institution to pursue continuing study in the same or a related comparable recognized program; OR
  - c) Entered military service; OR
  - d) Became self-employed.

III. Wages at Placement:

The median of the starting wages (converted to \$/hour) of all students during the reporting year who, within 180 days of successfully completing the program, obtained gainful unsubsidized employment in the training-related occupation for which they were trained or in a related comparable training-related occupation.

**Median** is defined as the wage rate that falls in the middle when all the individual wage rates are ordered according to their magnitude. The median splits the sample into two parts with equal numbers of observations above and below the median value. If there is an even number of individual wage rates in the sample, there are two middle measures. The median is computed by adding the two middle measures and dividing the sum by two.

Wages of graduates who are considered “placed completers” by virtue of or having become self-employed are not measured for this calculation. Wages at placement includes *only* the wages of those who obtained gainful unsubsidized employment in a training-related field.

IV. Program Price:

Program price includes total tuition plus mandatory fees for the entire program. Books, living expenses, basic school supplies and other such expenses are not included in this measure.

Educational institutions that charge a higher rate for students residing outside the district should report the “in-district” tuition rate. Educational institutions are not required to predict future tuition rates and should calculate program price on the basis of current tuition price. Students will be advised that tuition rates may rise over the course of the program.

**Table 1**  
**Program Audit Sampling**

<b>Program Audit Sampling</b>		
<b>Number of Programs</b>	<b>Number of Programs Audited</b>	<b>Percentage of Programs Audited</b>
1	1	100%
2	2	100%
3	3	100%
4	4	100%
5-29	5	20% to 100%
30-34	6	~20%
35-39	7	~20%
40-44	8	~20%
45-49	9	~20%
50-99	10	10% to 20%
100+	10+	10%