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**OFFICIAL**

**Workforce Development Agency (WDA)**

**Policy Issuance (PI): 13-07**

E-mailed: 7/18/2013 (tk)

**Date:** July 18, 2013

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

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

**Subject:** Dislocated Worker Training (DWT) National Emergency Grant (NEG)  
#2619

**Programs Affected:** Workforce Investment Act (WIA) Dislocated Worker (DW)

**References:** Policy Issuance (PI) 10-14, issued October 15, 2010, and subsequent changes

PI 12-19, issued October 15, 2012

PI 12-22, issued December 11, 2012

PI 12-23, issued December 12, 2012

Workforce Investment Act (WIA)

WIA Regulations at 20 CFR Part 663 and 671

U.S. Department of Labor (USDOL) Training and Employment Notice (TEN) 38-12, issued May 28, 2013

**Rescissions:** None



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**Background:**

A demand-driven workforce system is the State of Michigan's primary workforce development strategy. Local strategic plans and service delivery must support and align with a demand-driven system. Locally defined priority industries must be identified by local Workforce Development Boards (WDBs) and appropriate services developed and provided based upon recommendations received from employers and other key partners.

NEGs are discretionary grants awarded by the Secretary of Labor (the Secretary) under Section 173 of the WIA, as amended. NEGs are intended to temporarily expand service capacity at the state and local levels by providing time-limited funding in response to significant dislocation events. Significant events include plant closures and mass layoffs, as well as other events recognized by the Secretary under 20 CFR 671.11. The Secretary has used this authority to provide assistance in response to significant nationwide events affecting the U.S. workforce. Significant events are those that create a sudden need for assistance that cannot be accommodated within the ongoing operations of the WIA DW program, including Statewide Activities and Rapid Response funds reserved at the state level.

Widespread smaller layoff events across the country, combined with the high numbers of long-term unemployed, have had a significant impact on the workforce investment system's ability to provide crucial training services to improve DW's employment prospects. The Secretary has recognized the impact of these smaller layoffs across the nation as a significant dislocation event for purposes of one-time NEG assistance.

**Policy:**

The WDA was awarded DWT NEG funds specifically for the purpose of providing training services to DWs, including those who are long-term unemployed and the recipients of Unemployment Insurance (UI) that have been profiled as likely to exhaust their benefits. The opportunity to participate in training, and acquire an industry-recognized credential that enables them to obtain self-sufficient employment, is a priority of this initiative. Each MWA had the opportunity to submit a request to the WDA for DWT NEG funds prior to the USDOL funding award. Funding has been allocated to all MWAs who submitted a request to the WDA. The amount of funding requested exceeded the award to the state and is distributed per the attached table.

**Eligible Participants**

Eligible DWs have been identified for participation with a priority given to the long-term unemployed and to those who have been profiled as likely to exhaust UI. Long-term unemployed for the purposes of this NEG project are those who have been unemployed for 27 weeks or more since January 1, 2008. Weeks of unemployment

do not need to be consecutive, nor does the eligible participant have to have received/exhausted UI benefits. Documenting weeks of unemployment may be satisfied through UI documentation, participant self-attestation, or a detailed case note. For example, the participant has been enrolled in WIA core and intensive services for 27 weeks, or more, and is still seeking employment. Such a participant may be eligible to participate in the DWT NEG.

### **Use of Funds**

The purpose of the DWT NEG is to increase the workforce investment system's capacity to provide critical training services that lead to employment. Other intensive and supportive services, including needs-related payments (NRPs), needed by the DWT NEG participants must be provided through co-enrollment in the WIA DW program. Permissible activities under these awards will be limited to training, including work-based learning, other (defined below) and administration.

Administration: Up to eight (8) percent of the award may be used to cover administrative costs associated with operating the DWT NEG at the local level.

Other: Up to ten (10) percent of the award may be used to cover program costs that are not directly related to the provision of training, including but not limited to: outreach to employers to develop work-based learning opportunities, monitoring contracts, and assisting participants with enrollment.

Work-Based Learning: A minimum of 25 percent, but no more than 60 percent of the award must be utilized for work-based learning, such as On-the-Job Training (OJT), Registered Apprenticeship or customized training.

- OJT opportunities and customized training must be provided under a contract with an employer in the private-nonprofit or private sector. Credential attainment is not required to be a part of OJT, and OJT will continue to be exempt from the credential performance measure (for OJT NEG #2614 and DWT NEG #2619). However, MWAs are strongly encouraged to prioritize OJT opportunities that also include a formal training component that leads to a credential.
- MWAs that have an approved sliding scale waiver for OJT employer reimbursement, or a waiver for customized training contributions under their WIA DW formula program, may apply their approved waiver to the DWT NEG project.

- The parameters associated with OJT in the current OJT NEG guidance, Training and Employment Guidance Letters 4-10 and 16-12, and PI 10-14 and subsequent changes apply to any OJT opportunities offered under DWT NEGs.
- Updated wage cap information will be issued at a later date by the U.S. Department of Labor.

**Training:** The remainder of the award must be directed towards training activities that lead to credentials in high-demand occupations. Such training should also have a linkage to employment, such as, internships or work experience, where feasible. Such activities may include, but are not limited to:

- Contracts for “class-size training” with an institution of higher education, or other eligible training providers, if the local project operator determines that it would facilitate the training of multiple individuals in high-demand occupations.
- The provision of remedial training as necessary for, and connected to, the attainment of an advanced credential. Stand-alone remedial training such as ESL, basic skills or skills enhancement training, literacy programs, or a General Educational Development (GED) certificate only, are not allowable activities.

Each MWA will be held to work-based learning percentages that were proposed to the WDA. In accordance with TEN 38-12, a minimum of 25 percent, but not more than 60 percent of an MWA’s award must be used for work-based learning.

MWAs must coordinate training with other WIA activities to provide participants with the reemployment services that are necessary components of job readiness, including, but not limited to, job search assistance, resume writing, mock interviews, and other support necessary to help training participants obtain employment.

**Data Entry**

The WDA requires that all WIA participant information be reported in the One-Stop Management Information System (OSMIS), including eligibility, activities, status, and outcome information.

DWT NEG participants must be registered in the OSMIS under the WIA DW program. All requirements for WIA DW program registration and accompanying documentation must be met.

As DWT NEG funding only covers training costs, participants must be registered under the appropriate DW funding source on the OSMIS

“Funding Sources/Programs” screen. Select the funding source that is used to pay for the non-training portion of the registration (“Dislocated Worker (Local) WIA,” “Dislocated Worker (Statewide 15% Activities),” etc.) In addition, all DWT NEG participants will also have the “National Emergency Grant” funding source selected on the OSMIS “Funding Sources/Programs” screen.

Please follow these instructions when completing the NEG portion of the “Funding Sources/Programs” screen for DWT NEG participants:

- For “National Emergency Grant,” select “Yes”
- For “Grant Number,” select “2619 – DWT NEG”
- For “Grant Start Date,” enter the participant’s date of NEG enrollment (when DWT NEG funds are first spent on the participant).

MWAs must enter the date that the participant was enrolled in the DWT NEG in the “Grant Start Date” field below each Grant Number field. The entry of an NEG grant number will not be accepted without the entry of a corresponding enrollment date.

**Action:**

MWAs must submit one hard copy of the Approval Request Form, with original signatures, along with a Budget Information Summary within 30 days from the date of this policy issuance to:

Gary Clark, Director  
Office of Talent Development Services  
Workforce Development Agency  
201 North Washington Square, 5<sup>th</sup> Floor  
Lansing, Michigan 48913

**Cash Requests/Financial Reporting:**

The MWA will process all cash requests through the Management of Awards to Recipients System (MARS) in accordance with the MARS Manual. The MWA must have on file appropriate documentation to support each cash draw.

The U.S. Department of Labor, 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 of the funds provided through this PI must be reported to WDA on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due to WDA no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to 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. Submit reports to the MARS system at <http://www.michigan.deleg-mars.org>. If there are any questions regarding cash requests or submission of expenditure reports, please call Kerry Trierweiler at (517) 241-1788 or Lori Schomisch at (517) 241-0672.

**Monitoring**

The deadline for full expenditure of DWT NEG funds is June 30, 2015. Quarterly review of expenditures and enrollments will be completed by the WDA. Concerns regarding enrollment and expenditure levels will be addressed by the WIA Coordinator. Annual WIA programmatic reviews will incorporate a review of the DWT NEG project, including file review.

**To ensure expenditure by the due date and to meet local demand, the WDA retains the right to recapture and reallocate unexpended DWT NEG funds at any time after December 31, 2014, based on enrollment and expenditure trends.**

**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. The information contained in this policy issuance will be made available in alternative format (large type, audio tape, etc.) upon special request to this office. Please contact Ms. Keyton at (517) 335-5858, for details.

**Expiration  
Date:**

June 30, 2015

GC:MS:tk

### **Plan/Modification Approval Request Instructions**

1. Michigan Works! Agency (MWA): Enter the name of the MWA.
2. MWA Number: Enter the number assigned to the MWA.
3. Plan Title: Enter the appropriate title(s) for the plan being submitted.
4. Policy Issuance Number: Enter the Policy Issuance number that the Approval Request covers.
5. Program Period: Identify the program period covered by this plan.

The required signatories are designated in accordance with the Michigan Department of Labor & Economic Growth/Bureau of Workforce Programs PI 07-13, issued August 29, 2007. Signatures are required from the Workforce Development Board Chair and the Chief Elected Official(s).

## APPROVAL REQUEST

1. Michigan Works! Agency (MWA):	2. MWA Number:
3. Plan Title(s): DWT NEG	
4. Policy Issuance Number: 13-07	5. Plan Period: July 1, 2013- June 30, 2015

THE CHIEF ELECTED OFFICIAL (S) AND WORKFORCE DEVELOPMENT BOARD (WDB)  
HEREBY REQUEST APPROVAL OF THIS DOCUMENT

Authorized Chief Elected Official	Date
Authorized Chief Elected Official	Date
Authorized Chief Elected Official	Date
WDB Chairperson	Date

BWT-344 (5/09)

The Workforce Development Agency, State of Michigan, in compliance with applicable federal and state laws, does not discriminate in employment or in the provision of services based on race, color, religion, sex, national origin, age, disability, height, weight, genetic information, marital status, arrest without conviction, political affiliation or belief, and for beneficiaries only, citizenship or participation in any federally assisted program or activity.

## **Budget Information Summary (BIS) Instructions**

### **Section I - Identification Information**

1. Michigan Works! Agency (MWA): Enter the name of the MWA.
2. MWA Number: Enter the number assigned to the MWA.
3. Program Title: Enter the program name. For example, Workforce Investment Act.
4. Policy Issuance Number: Enter the Policy Issuance number that the Budget Information Summary covers.
5. Plan Period: Enter the start and end dates of the plan period, e.g., 07/01/12 to 06/30/13.
6. Grant Name: Enter the name of the grant associated with the funding being awarded.
7. Project Name: Enter the name of the project associated with the funding being awarded.

### **Section II - Total Funds Available**

1. Appropriation Year (AY) Funding:
  - a. Enter the current AY allocated funding.
  - b. Enter amount transferred in from another program, if any, and indicate which program the amount came from.
  - c. Enter amount transferred out to another program, if any, and indicate which program the amount was transferred to.
  - d. Enter the sum of lines 1a, 1b, and 1c to show the total allocation.

### **Section III - Current AY Planned Expenditures by Cost Category**

1. Administration: Enter amount of allocation planned for administration.
2. Program: Enter amount of allocation planned for program costs.

If Youth:

  - a. Enter amount of allocation planned for in-school youth.
  - b. Enter amount of allocation planned for out-of-school youth.

## BUDGET INFORMATION SUMMARY

### SECTION I – IDENTIFICATION INFORMATION

1. Michigan Works! Agency (MWA) Name:	2. MWA Number:
3. Program Title: WIA	4. Policy Issuance Number: 13-07
5. Plan Period: July 1, 2013 – June 30, 2015	6. Grant Name: DWT NEG 2619
7. Project Name: DWT NEG	

### SECTION II – TOTAL FUNDS AVAILABLE

Allocation	Amounts
1. Appropriation Year (AY) Funding	
a. Current AY Funding	\$
b. Transfer in from:   Adult [    ]   Dislocated Worker [    ]	\$
c. Transfer out to:    Adult [    ]   Dislocated Worker [    ]	\$
d. Total Current AY Funding	\$

### SECTION III - CURRENT AY PLANNED EXPENDITURES BY COST CATEGORY

Cost Category	Amounts
1. Administration	\$
2. Program	\$
If Youth, complete a and b	
a. Program Funding Amount for In-School Youth	\$
b. Program Funding Amount for Out-of-School Youth	\$

BWT-345 (5/09)

The Workforce Development Agency in compliance with applicable federal and state laws, does not discriminate in employment or in the provision of services based on race, color, religion, sex, national origin, age, disability, height, weight, genetic information, marital status, arrest without conviction, political affiliation or belief, and for beneficiaries only, citizenship or participation in any federally assisted program or activity.

**WIA NATIONAL EMERGENCY GRANT  
PY 2013  
DISLOCATED WORKER TRAINING NEG FUNDING**

Michigan Works! Agency	NEG Allocation (\$)
ACSET	220,844
Berrien/Cass/Van Buren	122,863
Calhoun ISD	82,079
Capital Area	152,488
Career Alliance	204,762
Central Area	100,000
City of Detroit	533,334
Eastern U.P.	28,772
Kalamazoo-St. Joseph	107,827
The Job Force	61,526
Livingston County	61,132
Macomb/St. Clair	457,111
Muskegon County	0
Northeast	76,085
Northwest	132,305
Oakland County	102,000
Ottawa County	74,285
Region 7B	70,447
Great Lakes Bay	153,719
South Central	30,000
SEMCA	413,011
Thumb Area	100,000
Washtenaw County	88,263
West Central	0
Western U.P.	41,911
<b>MWA Total</b>	<b>3,414,764</b>

Funding is based on the PY 2013 Dislocated Workers formula, or on the NEG amount requested by the MWA, whichever is the lesser of the two.  
July 1, 2013