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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT
LANSING

STEVE ARWOOD
DIRECTOR

OFFICIAL
Talent Investment Agency (TIA)
Policy Issuance (PI): 16-16

Date: October 7, 2016

To: Michigan Works! Agency (MWA) Directors

From: Wanda M. Stokes, Director
Talent Investment Agency

Subject: Fiscal Year (FY) 2017 Partnership.Accountability.Training.Hope. (PATH)
Program Plan Instructions

Programs
Affected: PATH

References: Reauthorization of the Temporary Assistance for Needy Families (TANF)
Program; Final Rule, 45 Code of Federal Regulations Parts 261, 262, 263,
and 265

Personal Responsibility and Work Opportunity Reconciliation Act of 1996

PATH Program Manual, dated November 17, 2014

Rescissions: None

Background: The PATH Program is a partnership between the MWAs, the Michigan Department of Health and Human Services (DHHS) and the TIA. The PATH features a 21-day Applicant Eligibility Period (AEP) during which Family Independence Program (FIP) participants work one-on-one with DHHS and MWA case managers to identify barriers to employment and connect the participant to resources addressing those challenges. Benefits of this partnership include linking employers, community, and faith-based solutions with the human service, education, and training systems.

Policy: **PLAN INSTRUCTIONS**

The Michigan Works! System Plan stipulations apply to the PATH plan.

The MWA staff shall develop plans to address PATH activities for the period of October 1, 2016 through September 30, 2017.

The PATH plan shall consist of the following:

Section I. Plan Approval/Modification Request – which bears the signatures of authorized chief elected officials and the Workforce Development Board (WDB) chairperson.

Section II. Plan Narrative – which describes the services and/or planned activities to be provided during FY 2017.

Section III. Budget Information Summary (BIS) – which includes BISs for Federal TANF and State General Fund/General Purpose (GF/GP) funds. Separate Grant Action Notices will be issued for each funding source.

ALLOCATIONS

Sixty percent of the allocation is based on the local MWA's relative share of PATH participants, and 40 percent is based on the MWA's relative share of AEP attendees. The FY 2017 allocation **does not include** a hold harmless factor.

21-Day AEP

Michigan requires FIP applicants to successfully complete a 21-Day AEP and orientation program at an MWA as a condition of eligibility for FIP benefits. The PATH Program Manual, Section C outlines AEP requirements.

Refugee Assistance Applicants

Selected MWAs are required to serve FIP applicants and recipients who are refugees. Separate policy instructions will be issued for this population as well as funding allocations.

PRIORITY OF SERVICE

The MWA directors and the WDB staff have latitude in the design of plans to meet the local needs of the community and their participants. Implementation of a process/strategy is needed for conducting a comprehensive assessment of local employer needs and identifying which industry sectors and occupations are in greatest demand in the community/region.

PROGRAM PLANNING AND COORDINATION

During local plan development, partners will have flexibility in customizing innovative education, training opportunities, and work participation activities that will best serve the participants in each region. It is expected that, at a minimum, the established federal weekly participation rates will be met.

In FY 2014, the Workforce Development Agency issued a directive that the orientation presentation would be standardized. Policy instructions for standard presentation of orientation sessions can be found in the PATH Manual, Section B, Chapter 5.

PROFIT

Profit is an allowable cost, payable only to commercial organizations and must be negotiated as a separate element of each contract's price. Profit rates can be negotiated from 0 (zero) percent up to a maximum of 10 (ten) percent. Profit rates can only be applied against the commercial organization's personnel-related costs (i.e., salaries, wages, and benefits) for the staff that contributed to the organization's unique capacity to manage and achieve the performance of the contract. Factors to consider when negotiating profit are the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work. Under cost-reimbursement contracts, there is little to no risk to the commercial organization. Therefore, profit is usually not warranted. Profit must be tied to performance and cannot be paid as a guaranteed fixed fee. Profit is earned when performance outcomes are attained and is disbursed when those outcomes are validated.

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

USE OF TANF FUNDS

The MWAs use of TANF funds under this plan are subject to the following provisions:

- There will be no carry-in of unexpended FY 2016 TANF funds into FY 2017.
- Carry-forward of unexpended FY 2017 TANF funds into FY 2018 may be allowed on a case-by-case basis upon TIA approval.
- General administrative costs are limited to 12 percent of the TANF allocation for the fiscal year.
- One hundred percent of unspent FY 2016 TANF funds (minus the \$10,000 threshold and the hold-harmless funds distributed at the end of FY 2016) will be de-obligated from the FY 2017 TANF allocation.

USE OF STATE GF/GP FUNDS

The MWAs use of state GF/GP funds under this plan are subject to the following provisions:

- There will be no carry-in of unexpended FY 2016 state GF/GP funds into FY 2017.

- There will be no carry-forward of unexpended FY 2017 state GF/GP funds into FY 2018.
- General administrative costs are limited to 12 percent of the state GF/GP allocation for the fiscal year.
- State GF/GP funds will be utilized consistent with TANF allowability.
- One hundred percent of unspent FY 2016 GF/GP funds (minus the \$10,000 threshold) will be de-obligated from the FY 2017 GF/GP allocation.
- State GF/GP must be spent concurrently with TANF funding until all GF/GP funding is expended.

Action: Fiscal Information

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

Grantees are required 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, subgrantees, 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.

All reporting of fiscal expenditures of the funds provided through this policy issuance must be reported on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to the TIA 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 in [MARS](http://www.michigan.deleg-mars.org) (<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.

The MWA Directors must submit the PATH Program plan and BISs within 30 days of the official date of this policy issuance to the Welfare Reform Section at WDA-WR-WP@michigan.gov.

One hard copy of the WDB Plan Approval/Modification Request requiring original signatures must be submitted within 30 days of the official date of this policy issuance to:

Ms. Pam Vance, Executive Secretary
Office of Talent Policy and Planning
Talent Investment Agency
Victor Office Center
201 North Washington Square, 5th Floor
Lansing, Michigan 48913

Inquiries: Questions regarding this policy issuance should be directed to your Welfare Reform State Coordinator at 517-373-6234. The information contained in this policy issuance will be made available in an alternative format (large type, audio tape, etc.) upon request to this office.

**Expiration
Date:** September 30, 2017

WS:YH:pv
Attachment

SECTION I

PATH Workforce Development Board Plan Approval/Modification Request Instructions

Identifying Information

1. Michigan Works! Agency (MWA): Enter the name of the MWA.
2. MWA Number: Enter MWA number.
3. Program Title: Enter the appropriate program title. "PATH Program" has been pre-printed.
4. Policy Issuance (PI) Number: Enter the appropriate PI number. "16-16" has been pre-printed.
5. Plan Period: Identify the plan's time period covered. "10/01/16 through 09/30/17" has been pre-printed.

**PATH
Workforce Development Board (WDB)
Plan Approval/Modification Request**

1. Michigan Works! Agency (MWA):	2. MWA Number:
3. Program Title(s): PATH Program	
4. Policy Issuance Number: 16-16	5. Plan Period: 10/01/16 through 09/30/17

The Chief Elected Official (CEO[s]) and WDB hereby approve the PATH Program plan on file at the MWA.

Authorized CEO	Date
Authorized CEO	Date
Authorized CEO	Date
WDB Chairperson	Date

The Talent Investment 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.

SECTION II

PLAN NARRATIVE

A. Michigan Works! Agency (MWA) Identification Information

PATH Plan Contact Person: Identify the MWA contact person (including phone number) for purposes of discussing the PATH plan contents.

B. Description of PATH Services to be Provided

1. Provision of Orientation and Client Assessment

- a. Describe the orientation component. Include a description of the respective responsibilities of the Department of Health & Human Services (DHHS) and the MWA in this process and the frequency of providing orientation.
- b. Describe the client assessment process and the development of the Individual Service Strategy. The suggested screening and assessment tools that MWAs may utilize include Work Keys, Copes and Cops, or Pesco. Tools must focus on entry-level occupations and jobs in high-growth/high-demand occupations. Additional tools may be used. MWAs must assess PATH participants enrolled in the program.

2. Provision of Job Search/Job Readiness

Describe the Job Search/Job Readiness component of the local PATH Program.

3. Provision of Other PATH Allowable Activities as Defined in State Policy

For each planned activity provide the following:

- a. A description of the planned activity, including how the activity relates to the needs and barriers of targeted Family Independence Program recipients.
- b. Expected results of the activity (competency levels to be achieved; quantifiable and non-quantifiable outcomes).

4. Supportive Services

Provide a description of the supportive services that will be made available to participants and any local restrictions on their provision surpassing those set forth in state policy.

5. Case Management

Provide a description of the ongoing case management services for participants.

SECTION III

PATH – TANF Budget Information Summary Instructions

Section I - Identification Information

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

Policy Issuance: 16-16 has been pre-printed.

Grant Name: “FY 17 TEMP ASSIST FOR NEEDY FAMILIES” has been pre-printed.

Project Name: “PATH” has been pre-printed.

Plan Period: 10/01/16 thru 09/30/17 has been pre-printed.

CFDA Number: 93.558 has been pre-printed.

Section II - Total Funds Available

Beginning Allocation: Enter the amount of the beginning allocation.

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

De-obligation: Enter the de-obligation amount, if applicable.

Total Funds Available: This cell will automatically calculate.

Section III - Planned Expenditures by Cost Categories

Direct Client Services:

Employment: Enter the cumulative amount planned for employment.

Employment (unsubsidized) is full or part-time employment in the public or private sector that is not supported by TANF, state GF/GP funds or any public programs.

Work Subsidies: Enter the cumulative amount planned for work subsidies.

Work subsidies include payments to employers or third parties to help cover the costs of employee wages, benefits, supervision or training. Do not include expenditures related to payment to participants in community service and work experience activities that are within the definition of assistance.

Other Work Activities: Enter the cumulative amount planned for other work activities.

Other work activities include: (a) work activities that have not been reported as education or work subsidies (including staff costs related to providing work experience and community service activities, on-the-job training, job search

and job readiness, and job skills training); (b) related services (such as employment counseling, coaching, job development, information, and referral, and outreach to business and non-profit community groups); and (c) other work-related expenses. Include such costs when provided as part of a diversion program or as transitional services to individuals who ceased to receive assistance due to employment.

Unpaid Work: Enter the cumulative amount planned for unpaid work.

Unpaid work activities are work assignments performed in return for welfare. This would include work experience, community service, and providing childcare services to individuals participating in community service.

Education/Training Activities: Enter the cumulative amount planned for education/training activities.

Education/training activities include: satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence; education directly related to employment (may include adult basic skills education and English as a Second Language [ESL]); and vocational education training (includes vocational occupational training, condensed vocational training and internships, practicums, and clinicals); and, may also include ESL, basic and remedial education.

Preparation to obtain employment.

Job Search/and Job Readiness: Enter the cumulative amount planned for job search/job readiness.

Job search/job readiness activities include the act of seeking or obtaining employment. This activity may include teaching participants how to seek employment. Activities may offer information and skill building during formal, planned workshops and classes or through less structured individualized activities.

Total Direct Client Services: This cell will automatically calculate.

Supportive Services:

- a. Auto Purchases: Enter the cumulative amount planned for auto purchases.
- b. Public Transportation: Enter the cumulative amount planned for public transportation. This amount includes any fees related to open-door public transportation, such as bus tokens, taxi fares, etc.
- c. Auto-Related Expenses: Enter the cumulative amount planned for auto-related expenses. This amount includes automobile repairs, participant mileage reimbursement, license and registration fees, etc.
- d. Other Supportive Services: Enter the cumulative amount planned for other supportive services. This amount includes mileage paid to volunteer drivers, clothing/uniform allowances, professional tools, business start-up expenses, moving expenses, etc.

Total Supportive Services: This cell will automatically calculate.

Administration: Enter the cumulative amount to be spent for each of the administrative cost categories during the plan period.

- a. General Administrative Costs: Limited to 12 percent of the MWA's allocated funds. Enter the cumulative amount to be spent on costs associated with the general administration and coordination of the program for the plan period. If incentive awards are distributed, general administrative costs are limited to 25 percent of the award.

Examples of General Administrative Costs taken from the TANF Regulations:

- Salaries and benefits of staff performing administrative and coordination functions.
 - Preparation of program plans, budgets, and schedules.
 - Monitoring of programs and projects.
 - Fraud and abuse units.
 - Procurement activities.
 - Public relations.
 - Services related to accounting, litigation, audits, management of property, payroll, and personnel.
 - Costs for the goods and services required for the administration of the programs (e.g., supplies, equipment, postage, utilities, rental & maintenance of office space).
 - Travel costs incurred for official business.
 - Management and information systems not related to the tracking and monitoring of TANF requirements (e.g., payroll system for the MWA staff).
 - Preparing reports and other documents.
- b. Information Technology/Computerization: (Not limited to a percentage of funding.) For the plan period, enter the cumulative amount to be spent on the information technology and computerization needed for the tracking and monitoring required by TANF. This includes the salaries and benefits of staff that develop, maintain, support, and/or operate the tracking and monitoring portions of the limitation technology or computer systems. Contracts for such services are included in this cost category.

Total Administration: This cell will automatically calculate.

Total Planned Expenditures: This cell will automatically calculate.

Section IV – Limitation Percentages

This section was developed to assist MWAs and state coordinators to review planned expenditures and to ensure they are in line with limitations.

**PATH – GF/GP
Budget Information Summary Instructions**

Section I - Identification Information

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

Policy Issuance: 16-16 has been pre-printed.

Grant Name: “FY 2017 PATH GF/GP” has been pre-printed.

Project Name: “PATH GF/GP” has been pre-printed.

Plan Period: 10/1/2016 thru 09/30/2017 has been pre-printed.

CFDA Number: N/A.

Section II - Total Funds Available

Beginning Allocation: Enter the amount of the beginning allocation.

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

De-obligation: Enter the de-obligation amount, if applicable.

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**Fiscal Year 2017
PATH Allocations**

Michigan Works! Agencies	TANF Allocation (\$)	GF/GP Allocation (\$)	Total Allocation (\$)
Berrien/Cass/Van Buren	1,067,341	\$174,293	1,241,634
Capital Area	1,936,752	316,264	2,253,016
DESC	14,362,941	2,345,414	16,708,355
GST Michigan Works!	8,880,022	1,450,074	10,250,096
Great Lakes Bay	3,151,083	514,560	3,665,643
Macomb/St. Clair	5,361,138	875,454	6,236,592
Northeast	727,194	118,748	845,942
Northwest	739,041	120,683	859,724
Oakland County	3,266,686	533,438	3,800,124
Region 7B	1,208,976	197,421	1,406,397
SE Michigan Consortium	3,232,435	527,844	3,760,279
SEMCA	5,687,395	928,730	6,616,125
Southwest	2,860,873	467,170	3,328,043
UPWARD Talent Council	1,428,025	233,191	1,661,216
West Central	854,232	139,493	993,725
West Michigan Works!	5,683,066	928,023	6,622,089
Statewide Totals	\$60,447,200	\$9,870,800	\$70,318,000

Allocation based on:

- 60% - # of PATH participants
- 40% - # of 21-day AEP attendees