



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

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DIRECTOR

OFFICIAL
Policy Issuance (PI): 20-08, Change 1

Date: June 22, 2020

To: Michigan Works! Agency (MWA) Directors

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

Subject: Appropriation Year (AY) 2019 Workforce Innovation and Opportunity Act (WIOA) Statewide Activities Funding for the Summer Young Professionals 2020 Initiative (March 1, 2020 through December 31, 2020)

Programs Affected: WIOA Youth Programs Administered by MWAs

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

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

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

Summer Young Professionals Request for Proposals, issued December 2, 2019

Policy Issuance: 19-30, Procurement, issued October 25, 2019

Training and Employment Notice 22-19, issued April 3, 2020

Employment and Training Administration (ETA's) COVID-19 Frequently Asked Questions Resource

Michigan Executive Order 2020-116, issued June 5, 2020

Michigan Employment Security Act of 1936

Rescissions: None

Background: The WIOA, which supersedes the Workforce Investment Act of 1998, presents an extraordinary opportunity to improve job and career options for

our nation's workers and job seekers through an integrated, job-driven public workforce system that links diverse talent to businesses. The WIOA supports the development of strong, vibrant regional economies where businesses thrive, and people want to live and work. This revitalized workforce system will be characterized by three critical hallmarks of excellence:

- 1) The needs of business and workers drive workforce solutions.
- 2) One-Stop centers provide excellent customer service to workers, job seekers, and employers, and focus on continuous improvement.
- 3) The workforce system supports strong regional economies and plays an active role in community, economic, and workforce development.

The WIOA Section 129(b)(1) requires states to use a portion of the funds reserved for Statewide Activities to carry out additional activities, including activities that specifically benefit youth. Allowable activities under the WIOA Section 129(b)(2) include supporting the development of alternative, evidence-based programs and other activities that enhance the choices available to eligible youth and encourage such youth to progress through a career pathway and enter into unsubsidized employment that leads to self-sufficiency.

The Michigan Department of Labor and Economic Opportunity-Workforce Development (LEO-WD) has identified the Summer Young Professionals initiative as a way to not only maintain compliance with these sections, but to strive for continuous improvement of young adult programming in alignment with the WIOA's focus on providing valuable work experience to those who are between the ages of 14 and 24.

Policy:

In accordance with the WIOA, WD is allocating WIOA Statewide Activities funding to support the Summer Young Professionals initiative for the timeline of March 1, 2020 through December 31, 2020.

The purpose of the Summer Young Professionals initiative is to reduce youth unemployment and increase career preparedness by introducing under-represented young adults, ages 14-24, to the world of work while providing participants and their families with income. Combined services will place young adults on the right path to gain the skills necessary to achieve lifelong economic self-sufficiency.

The Summer Young Professionals initiative is not limited to the work experience activity defined at 20 Code of Federal Regulations (CFR) 681.600. Additional activities that support career exploration and preparedness may be funded under the initiative and must be recorded under the appropriate activities in the One-Stop Management Information System (OSMIS). It is permissible to provide services in a virtual capacity.

Although not an exhaustive list, examples of allowable expenditures with funding awarded in this policy issuance include:

- Wages/stipends paid for participation in a work experience.
- Stipends paid for participation in career exploration or career preparedness activities.
- Staff time working to identify and develop a work experience opportunity, including staff time spent working with employers to identify and develop the work experience.
- Staff time working with employers to ensure a successful work experience, including staff time spent managing the work experience.
- Staff time spent evaluating the work experience.
- Participant work experience and/or related activities orientation sessions.
- Employer work experience orientation sessions.
- Classroom training or the required academic education component directly related to the work experience.
- Incentive payments directly tied to the completion of work experience or classroom training.
- Employability skills/job readiness training to prepare youth for a work experience.
- Supportive services.
- Volunteer and/or community service.

Stipends vs. Wages

A stipend is intended to defray expenses and support an individual while participating in a training or learning experience. Stipends can be used to support young adults who are participating in activities such as occupational skills training, job shadowing, and classroom (in-seat or virtual) activities, including career preparation or exploration. A wage is generally a payment of services rendered when an employer/employee relationship exists. Wages are usually paid through a payroll system. **If an MWA will be providing participant support for program participation with stipends, a local policy governing the use and limitations of stipends is required.**

Wages, stipends, and incentives are considered taxable income.

[Section 44 of the Michigan Employment Security Act](#) provides the definition of remuneration, which must be reported when certifying for unemployment benefits. Remuneration does not include stipends or incentives; therefore, they do not need to be reported.

Supportive Services

Supportive service rules and allowability under this initiative are consistent with guidance found within the WIOA Manual, with the temporary exception of the purchase of food.

Food: Per the All Grants Frequently Asked Questions (FAQs) document posted on WorkforceGPS (updated on April 14, 2020), food is temporarily

approved as an allowable cost for youth ETA grant funds. Generally, grant funds from the ETA cannot be used to provide food assistance to individuals in the grantee's community. On a limited basis and in certain situations, food at a reasonable cost may be provided to youth-serving program participants as a supportive service. Food may be provided to eligible youth when it will assist or enable the participant to participate in allowable youth program activities funded through one or more of our programs and to reach his/her employment and training goals, thereby achieving the program's overall performance goals. The focus of the programs is to train youth, and the use of grant funds for food should be limited to reasonable and necessary purchases that are coordinated with other community, state, or federal services that provide food for low-income individuals. The State defines reasonable costs as those in accordance with Michigan's Department of Technology Management and Budget's approved meal rates of \$8.50 for breakfast and lunch (each), or \$10.25 for breakfast and lunch (each) for those in select cities. Select cities may be found [here](#).

Equipment: As of April 14, 2020, ETA also responded to the following questions in the aforementioned FAQs document: Can grantees purchase laptops and tablets for participants so they can continue their education and training from home? Are laptops and tablets equipment? Do grantees need prior approval from the grant officer to purchase these?

ETA's Response: Yes, grant funds can be used to purchase supplies or equipment to assist in providing program services and training in a virtual setting during this time. The definition of equipment is found at 2 CFR 200.33. The definition of supplies is found at 2 CFR 200.94. Laptops and tablets usually fall within the definition of supplies, which do not need grant officer approval. The Uniform Guidance at 2 CFR 200.302 and § 200.303 requires that all funds, property, and other assets be safeguarded against loss from unauthorized use or disposition. The grant recipient and its service providers must have sufficient internal controls and policies in place to account for all assets. Grant recipients should use safety precautions to protect personally identifiable information and use sound fiscal prudence to maximize the value of taxpayer dollars spent. Grantees should weigh the length of time remaining in the period of performance against the reasonable benefit to the program for purchases of new supplies or equipment.

Internet: Internet is an allowable supportive service. However, WIOA funding is always meant to be the last dollar, so if there are discounted or free programs, such as those for individuals who receive public assistance benefits, they must be utilized first and foremost.

If an MWA chooses to offer the above-mentioned supportive services, the local supportive service policy must be updated to reflect this allowance. The policy must highlight that the food allowance is temporary and specific to youth-serving program participants.

Minor Work Permits

If an employer/employee relationship exists, a work permit is required for all minors. WD does not have the authority to waive this requirement. However, Governor Whitmer signed Executive Order 2020-116, which lifts certain

requirements of the application process for young Michiganders to obtain a work permit through July 3, 2020.

Additional resources and information on child labor laws and youth employment standards in Michigan may be found [here](#).

Performance

Summer Young Professionals participants will fall under state-level performance only, unless the participant is also funded by a formula (local) funding stream.

Eligibility Paperwork

Eligibility paperwork and appropriate source documentation are required for registration and participation in the Summer Young Professionals initiative. Signatures remain a requirement for registration, release, and self-attestation forms.

WD allows electronic signatures. Similar to ink signatures, a signer must show clear intent to sign an agreement electronically. For example, signers can show intention by using a mouse to draw their signature or typing their name.

The following language may be added to local forms, as appropriate:

The parties agree that this agreement may be electronically signed. The parties agree that the electronic signatures appearing on this agreement are the same as handwritten signatures for the purpose of validity, enforceability, and admissibility.

As self-attestation is now limited to separate, stand-alone forms, it is no longer a WD requirement that a participant signs the Individual Service Strategy (ISS). This decision is now left to local discretion.

Enrolling Young Adults in the WIOA Youth Program

Young adults enrolled in the WIOA Youth program must meet eligibility standards described in Section 3-2 of the WIOA Manual.

Please Note: The five (5) percent income exception for covered individuals and the five (5) percent Requires Additional Assistance Barrier limitation for In-School Youth found within this section also apply. This policy issuance supersedes any previous guidance addressing frequently asked questions.

Per waiver authority granted by the U.S. Department of Labor (USDOL), **local areas are not subject to a minimum Out-of-School Youth expenditure requirement for the funding awarded in this policy.** This waiver is in effect as of February 13, 2020 and applies only to AY 2019 WIOA Statewide Activities funding. This waiver is valid for the life of these funds.

The funds awarded in this policy must be used to provide the following to young adults enrolled as WIOA Youth:

(1) Provide for an objective assessment of each youth participant that meets the requirements of the WIOA Section 129(c)(1)(A) and includes a review of the academic and occupational skill levels, as well as the service needs and strengths of each youth for the purpose of identifying appropriate services and career pathways for participants and informing the ISS.

(2) Develop and update, as needed, an ISS based on the needs of each youth participant that is directly linked to one or more indicators of performance described in the WIOA Section 116(b)(2)(A)(ii) that identifies career pathways that include education and employment goals that considers career planning and the results of the objective assessment, and that prescribes achievement objectives and services for the participant.

(3) Provide case management of youth participants.

Please Note: In addition to Part A of the definition of Basic Skills Deficiency, which includes those testing at or below a grade level of 8.9, every MWA is required to define Part B of the definition of Basic Skills Deficiency for the youth population. This is a local definition of “a youth who is unable to compute or solve problems, or read, write, or speak English at a level necessary to function on the job, in the individual's family, or in society”. The criteria must be defined in the Local Plan. The assessment of the youth against this criterion and the corresponding determination must be clearly documented in the participant's file to provide a reviewer with source documentation to verify the participant's status.

Enrolling Young Adults in the WIOA Adult Program

Young adults ages 18 and up may be enrolled in the WIOA Adult program. Standard WIOA Adult eligibility requirements as found in Section 2-3 of the WIOA Manual apply. The MWAs may find eligibility determination to be much less restrictive than that of the WIOA Youth program.

A young adult enrolled in the WIOA Adult program must, at a minimum, receive either an interview, evaluation or assessment, and career planning or any other method through which the One-Stop operator or partner can obtain enough information to make an eligibility determination to be eligible for services. Where appropriate, a recent interview, evaluation, or assessment may be used.

Leveraging Funding and Services

Braiding funding allows WIOA programs to provide more comprehensive services to participants while maximizing partner resources available to best serve young adults. WD strongly encourages partnering with Michigan Rehabilitation Services (MRS) to provide inclusive, accommodating experiences for youth with disabilities. MRS partners may be found by using the [MRS Office Locator Map](#), and may be able to provide assistive technology and support for individuals with disabilities. [Bureau of Services for Blind Persons \(BSBP\) contacts](#) are located throughout the state and are equipped to provide assistive technology and support for individuals who are visually impaired.

Further, partners such as MRS, BSBP, and [Jobs for Michigan's Graduates](#) may be able to provide pre-existing curriculums.

Data Entry

Data Entry of Young Adults in the WIOA Youth Program

When entering a young adult into the OSMIS as a WIOA Youth using funding awarded in this policy, please select the "Youth Statewide (15%)" option. The Contract Number for the Summer Young Professionals initiative is "2008". If regular WIOA Youth formula funds are also being used, the "Youth (Local)" option should also be selected.

Data Entry of Young Adults in the WIOA Adult Program

When entering a young adult into the OSMIS as a WIOA Adult using funding awarded in this policy, please select the "Adult Statewide (15%)" option. The Contract Number for the Summer Young Professionals initiative is "2008". If regular WIOA Adult formula funds are also being used, the "Adult (Local)" option should also be selected.

A special indicator has been added to OSMIS that must be selected for each young adult participating in the Summer Young Professionals initiative. Please select the Summer Young Professional indicator as shown below.

The screenshot shows the 'Special Initiatives' section of the OSMIS system. The section is titled 'Special Initiatives' and contains several dropdown menus and a date field. The dropdown menus are for: Skilled Trades Training Fund Participant, Jobs for America's Graduates (JAG), Talent Tour(s), Earn and Learn Participant, Business Resource Network Participant, Navigator Referred, SEP Family Member, Industry Cluster, DESC Demo Grant 2015, Adult Education, Integrated Education and Training, and Summer Young Professional. A purple arrow points to the 'Summer Young Professional' dropdown menu.

All other provisions of PI 20-08 not specifically altered by this policy change remain unchanged and in effect.

Profit

Please refer to the WD Procurement Policy, PI 19-30, issued October 25, 2019, for further information regarding profit and corresponding limitations.

Fiscal Information

Fiscal reporting for the funds awarded in this policy shall be independent from the WIOA Youth formula funding allocated for Program Year (PY) 2019 in PI 19-20 and subsequent changes, as well as future funding awarded for PY 2020. Carry-forward of these funds will not be permitted. **Unexpended funds as of December 31, 2020, will be recaptured by the WD.** Administrative funding is limited to a maximum of **10 percent** of the allocations detailed in this policy.

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

The USDOL Employment and Training Administration requires all grantees to report all financial transactions on a full accrual basis. Accrued expenditures are charges incurred by the grantee during a given period requiring the provision of funds for (1) goods and other tangible property received; (2) services performed by employees, contractors, sub-grantees, subcontractors, and other payees; and (3) other amounts becoming owed under programs for which no current services or performance is required, such as annuities, insurance claims, and other benefit amounts.

In general, total accrued expenditures are costs incurred for goods and services received, regardless of whether the payment has been made. All reporting of fiscal expenditures for the funds provided in this policy must be reported to the WD on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due to the WD no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to the WD no later than 60 days after the end of the grant period. In the event that the due date falls on a weekend or state government holiday, the report is due on the last business day prior to the due date. Local areas must submit reports in the [MARS](#). If there are any questions regarding cash requests or the submission of required expenditure reports, please contact Mr. Mike LaCharite at 517-335-6051.

Action:

Local areas receiving an allocation as a result of Policy Issuance 20-08 and subsequent changes are required to submit the following within 30 days from the issue date of this policy:

1. A signed Approval Request form (Attachment A), with original signatures from the Chief Elected Official(s), Workforce Development Board Chair, or their designee(s). Hard copies may be mailed to:

Michigan Department of Labor and Economic Opportunity
Workforce Development
Workforce Innovation Team
Victor Office Center
201 North Washington Square, 5th Floor
Lansing, MI 48913

2. A Budget Information Summary (BIS) (Attachment B).

The BIS should be submitted via email at LEO-TSDIV@michigan.gov. Please copy your assigned state coordinator on the email submission as well.

MWAs that have submitted a BIS with a grant end date of September 30, 2020 will need to submit a new BIS to extend the grant end date to December 31, 2020. A new Approval Request form is not required.

Inquiries: Questions regarding this policy should be directed to your WIOA State Coordinator.

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

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

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

Expiration

Date: December 31, 2020

KJ:CM:ph
Attachments

Approval Request Form Instructions

1. *Michigan Works! Agency (MWA) Name and Number*: Enter the name and the assigned number of the MWA.
2. *Plan Title(s)*: Enter the appropriate title for the plan being submitted. “*Summer Young Professionals 2020*” has been pre-printed.
3. *Policy Issuance Number (PI)*: Enter the Policy Issuance number that the Approval Request form covers. “*20-08, Change 1*” has been pre-printed.
4. *Plan Period*: The program period covered by this plan. “*March 1, 2020 through December 31, 2020*” has been pre-printed.

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

Approval Request Form

| |
|------------------------------------------------------------|
| 1. Michigan Works! Agency (MWA) Name and Number: |
| 2. Plan Title(s): Summer Young Professionals 2020 |
| 3. Policy Issuance Number: 20-08, Change 1 |
| 4. Plan Period: March 1, 2020 through December 31, 2020 |

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

| | |
|------------------------------------------------------|-------|
| Signature of Authorized Chief Elected Official | Date: |
| Printed Name: | |
| Signature of Authorized Chief Elected Official | Date: |
| Printed Name: | |
| Signature of Authorized Chief Elected Official | Date: |
| Printed Name: | |
| Signature of Workforce Development Board Chairperson | Date: |
| Printed Name: | |

**Budget Information Summary (BIS) Instructions
Workforce Innovation and Opportunity Act (WIOA)
Summer Young Professionals 2020**

Section I - Identification Information

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

Policy Issuance: Enter the Policy Issuance number applicable to the BIS. "20-08, Change 1" has been pre-printed.

Grant Name: Enter the name of the grant associated with the funding being awarded. "AY19 WIOA Statewide Activities" has been pre-printed.

Project Name: Enter the name of the project associated with the funding being awarded. "Summer Young Professionals 2020" has been pre-printed.

Plan Period: Enter the start and end dates of the plan period. "03/01/2020 - 12/31/2020" has been pre-printed.

Section II - Total Funds Available

Base Allocation: Enter the amount of the allocation.

Total Appropriation Year Funding: The total allocation. The Excel spreadsheet will automatically calculate.

Section III - Current Appropriation Year Planned Expenditures by Cost Category

Administration: Enter the amount of the grant to be used for local administration. Not more than **ten** percent of the total allocation may be used for administration.

Adult: Enter the amount of the allocation planned for Adults.

In-School Youth: Enter the amount of the allocation planned for In-School Youth.

Out-of-School Youth: Enter the amount of the allocation planned for Out-of-School Youth.

Total Planned Costs: The Excel spreadsheet will automatically calculate all of the total planned costs entered for the grant.

Section IV - Limitation Percentages

This section was developed to assist the MWA staff and state coordinators with reviewing planned expenditures versus expenditure requirements and limitations. The cells will automatically calculate.

* The Excel spreadsheet will automatically calculate the adjusted award based upon the total allocation minus funds reserved for the costs of administration.

**Summer Young Professionals
2020 Allocations**

| Michigan Works! Agency | Allocation |
|-------------------------------|--------------------|
| Berrien/Cass/Van Buren | \$103,203 |
| Capital Area | \$160,894 |
| DESC | \$250,000 |
| GST Michigan Works! | \$196,148 |
| Great Lakes Bay | \$174,128 |
| Macomb-St. Clair | \$95,938 |
| Northeast | \$54,294 |
| Northwest | \$65,339 |
| Oakland | \$153,128 |
| Region 7B | \$85,614 |
| Southeast | \$97,249 |
| SEMCA | \$186,263 |
| Southwest | \$108,294 |
| UPWARD | \$75,249 |
| West Central | \$52,934 |
| West Michigan | \$141,325 |
| Total | \$2,000,000 |