



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
ACTING DIRECTOR

OFFICIAL
Policy Issuance (PI): 21-03

Date: March 3, 2021

To: Michigan Works! Agency (MWA) Directors

From: Marcia Black-Watson, Division Administrator
Industry Engagement, Workforce Development **SIGNED**

Subject: Going PRO Talent Fund (Talent Fund) Program Administration
Fiscal Year (FY) 2021, the Period of February 1, 2021 through
September 30, 2022

Programs
Affected: Going PRO Talent Fund (Talent Fund) FY 2021

Rescissions: None

References: Public Act 260 of 2018
Going PRO Talent Fund Process Guide Fiscal Year 2021
LEO-WD Procurement Policy, PI 15-12, issued July 17, 2015

Background: The Going PRO Talent Fund provides individuals with employment, industry recognized credentials, and strong wages through competitive awards to employers to assist in training, developing, and retaining new and current employees. It helps to ensure Michigan's workers have the skills they need for in-demand jobs and employers have the talent they need to compete and grow. Talent Fund-supported training expands and improves employees' skills and develops their opportunities for growth or promotion within the company and for economic advancement.

The Talent Fund is designed to create public-private partnerships with employers to develop training models that adapt in real time with changing employer demand. Training must be completed within one year from the date of the award and lead to a credential for a skill that is transferable and recognized by industry. Employers who request funding must actively participate in the development of the training and must commit to retaining individuals at the completion of training.

As a result of individuals being trained and promoted, vacancies should be filled by individuals recruited with the assistance of the local MWA.

Additionally, as it is becoming harder to find the skilled talent to fill jobs, employers are encouraged to expand their recruitment to include individuals within targeted populations, specifically, veterans, active military reservists, older workers, returning citizens, and high school diploma/equivalency trainees.

Policy:

The Department of Labor and Economic Opportunity, Workforce Development (LEO-WD) awards funding to the MWA. All funding is reimbursed upon completion of training and/or retention. MWAs receive an award of Talent Fund funding based on the total number of applications approved for funding. The individual MWA FY 2021 awards are included as Attachment A to this Policy Issuance (including those eligible for funding, pending resolution of an outstanding obligation with the State of Michigan).

MWAs shall oversee the implementation of Talent Fund employer training awards as approved by the LEO-WD. This includes employer training plans approved with the initial application and any subsequent approved modifications. All Talent Fund policy and stipulations per the LEO-WD Talent Fund Process Guide Fiscal Year 2021 and all other LEO-WD Talent Fund guidance given to MWAs apply.

Planned training expenditures are expected to be adjusted throughout the fiscal year, based on employer needs, which have historically included additional funding for Industry-Led Collaboratives (ILCs) and Targeted Incentives.

Fiscal Information

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 the appropriate documentation to support each cash draw.

MWAs 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, sub-grantees, sub-contractors, 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 LEO-WD on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due to the

LEO-WD no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to the LEO-WD no later than 60 days after the end of the grant period (or by December 30, 2022). 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. MWAs must submit reports in the MARS. If there are any questions regarding cash requests or the submission of required expenditure reports, please call Michael LaCharite at 517-281-8788 or lacharitem1@michigan.gov.

In the MARS, FY 2021 Talent Fund expenditures shall be reported under:

Grant – FY21 Going PRO Talent Fund

Project – Talent Fund

Note: Specific cost categories that are available include Program, Administration, and Targeted Incentives.

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

Allowable Uses of Program Funds

Training funded by the Talent Fund must fill a demonstrated talent need experienced by an eligible participating employer. Training must lead to a credential for a skill that is transferable and recognized by industry.

Allowable training includes:

- Classroom or customized training for new and current employees
- On-the-job training for new employees
- Apprenticeships for first-year United States Department of Labor (USDOL) Registered Apprentices (new and current employees)

Cost of Training

- Classroom training should not exceed \$1,500 per person
- On-the-job training for new employees should not exceed \$1,500 per person
 - Reimbursement is based upon retention
 - 50% reimbursement employed 30 days post-training
 - 75% reimbursement employed 60 days post-training
 - 100% reimbursement employed 90 days post-training
- USDOL Registered Apprenticeships should not exceed \$3,000 per person

Targeted Incentives

The maximum amount per new trainee that an employer may receive as incentive funding is \$500 for Veterans, Active Military Reservists, Older Workers, Returning Citizens and \$1,000 for High School Diploma/Equivalency new and incumbent trainees, even if the employee meets the criteria in more than one category. Definitions for Targeted Incentive categories are defined in the Talent Fund Process Guide Fiscal

Year 2021. Incentives must be used to help offset the training costs. To qualify for a Veterans, Active Military Reservists, Older Workers, or Returning Citizens incentive; the new employee must have been hired, completed training, and completed the 90-day retention period. To qualify for the High School Diploma/Equivalency new and incumbent trainee incentive, the trainee must have completed at least 75% of the High School Diploma/Equivalency program requirements during work hours.

Since the extent to which the qualification of Targeted Incentives is not known until training is completed, the LEO-WD will monitor MWA award balances to ensure that training activities and Targeted Incentives are fully funded.

Administrative Funds

Up to seven (7) percent of total program expenditures may be used to support local administration. It is prohibited to take administrative funds from the expenditure of program training funds.

Program expenditures include:

- Classroom/customized training
- On-the-job training for new employees
- Registered Apprenticeship training
- Targeted incentives

Monitoring

The LEO-WD shall monitor for programmatic and fiscal compliance. Monitoring will be conducted according to a planned schedule for the fiscal year and will be accomplished through a combination of desk reviews and on-site reviews.

Monitoring includes a review of programmatic and fiscal requirements as outlined in the approved application, training plan, and award documents. Reviews may also be conducted on an as-needed basis, should issues arise that require immediate attention.

Modifications

MWAs must submit all requests to modify approved employer training plans in accordance with Talent Fund modification requirements stated in the Going PRO Talent Fund Process Guide Fiscal Year 2021.

Profit

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

Action:

All MWAs shall prepare and submit a signed Approval Request Form and a Budget Information Summary (BIS) within 30 days from the issue date of this policy. The required Approval Request Form (Attachment B) and BIS (Attachment C) should be submitted electronically to: talentfund@michigan.gov.

Reporting

Upon completion of training and the 90-day retention period, the MWA must report to LEO-WD a summary of all fiscal activity that occurred for each award including modifications, total amount of de-obligation (if any), amount for each invoice (payment), balance of award, and total amount of all Targeted Incentives, no later than 60 days after the end of the grant period (or by December 30, 2022).

The MWA is required to provide documentation and verify the accuracy of the employer's final data and outcomes including the names of employees who completed training, number and type of employees trained, training providers, types of training, credentials earned, targeted incentives, revised contribution/leveraged funds, hourly wages, employee retention, and impact of the award.

Inquiries: Questions regarding this policy should be directed to talentfund@michigan.gov.

This policy is available on the [LEO-WD's website](#).

The information contained in this policy will be made available in alternative format (large type, audio tape, etc.) upon special request to this office. Please contact Anita Scott at 517-927-4356 or via email at ScottA23@michigan.gov for details.

Expiration

Date: September 30, 2022

MBW:VZ:as
Attachments

**GOING PRO TALENT FUND
Fiscal Year 2021 AWARDS**

Michigan Works! Agency	Award Amount (Program)	Administrative Funds	Total Award Funding
Capital Area	\$2,249,780.00	\$157,484.60	\$2,407,264.60
Detroit Employment Solutions Corp.	\$2,589,316.00	\$181,252.12	\$2,770,568.12
Great Lakes Bay	\$1,718,909.00	\$120,323.63	\$1,839,232.63
GST	\$1,789,446.00	\$125,261.22	\$1,914,707.22
Berrien-Cass-Van Buren (Kinexus)	\$1,996,092.00	\$139,726.44	\$2,135,818.44
Macomb/St. Clair	\$2,216,355.00	\$155,144.85	\$2,371,499.85
Northeast	\$601,918.00	\$42,134.26	\$644,052.26
Northwest	\$1,288,698.00	\$90,208.86	\$1,378,906.86
Oakland	\$1,996,596.00	\$139,761.72	\$2,136,357.72
Region 7B	\$266,250.00	\$18,637.50	\$284,887.50
SEMCA	\$2,917,649.00	\$204,235.43	\$3,121,884.43
Southeast	\$3,332,651.00	\$233,285.57	\$3,565,936.57
Southwest	\$2,793,738.00	\$195,561.66	\$2,989,299.66
UPWARD Talent Council	\$1,412,886.00	\$98,902.02	\$1,511,788.02
West Central	\$628,108.00	\$43,967.56	\$672,075.56
West Michigan	\$12,287,724.00	\$860,140.68	\$13,147,864.68
MWA Total	\$40,086,116.00	\$2,806,028.12	\$42,892,144.12

Approval Request Form Instructions

1. Michigan Works! Agency (MWA) Name and Number: Enter the name and assigned number of the MWA.
2. Plan Title(s): Enter the appropriate title(s) for the plan being submitted. "Going PRO Talent Fund" has been pre-printed.
3. Policy Issuance Number: Enter the Policy Issuance number. "21-03" has been pre-printed.
4. Plan Period: Identify the time period covered by the plan. "February 1, 2021 - September 30, 2022" has been pre-printed.

The required signatories are designated in accordance with PI 07-13, issued August 29, 2007. 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): Going PRO Talent Fund
3. Policy Issuance Number: 21-03
4. Plan Period: Date February 1, 2021 – September 30, 2022

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:	

Workforce Development (WD) is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities. WD is funded by State and Federal funds; more details available on the Legal Disclaimer page at www.michigan.gov/workforce.

**Budget Information Summary (BIS) Instructions
Going PRO Talent Fund (Talent Fund)**

Section I - Identification Information

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

Policy Issuance Number: Enter the Policy Issuance number applicable to the BIS. (“21-03” has been entered.)

Grant Name: Enter the name of the grant associated with the funding being awarded. (“FY21 Going PRO Talent Fund” has been entered.)

Project Name: Enter the name of the project associated with the funding being awarded. (“Going PRO Talent Fund” has been entered.)

Plan Period: Enter the start and end dates of the plan period. (“2/1/2021 - 9/30/2022” has been entered.)

Section II - Total Funds Available

Award Amount: Enter the program funding amount for this grant. The amount includes approved for funding and those eligible (pending resolution on an outstanding obligation with the State of Michigan).

Administration-MWA Level: Enter the amount planned for administration. Up to seven (7) percent of the Award Amount may be used to support the local administration.

Total Funds Available: The Excel spreadsheet will automatically calculate the sum of Section II.

Section III - Planned Expenditures by Cost Categories

Program: Enter the amount for the planned program-related expenditures

Administration: Enter the amount of the grant planned for administrative-related expenditures. Up to seven (7) percent of total expenditures may be used to support the local administration.

Total Planned Expenditures: The Excel spreadsheet will automatically calculate the sum of Section III.

The Budget Information Summary (FY21 Going PRO Talent Fund) can be found as an Excel attachment.

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