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**OFFICIAL**  
**Workforce Development Agency (WDA)**  
**Policy Issuance (PI) 14-04, Change 1**

**Date:** July 13, 2016

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

**From:** Joe Billig, Director  
Office of Talent Policy and Planning

**Subject:** Job-Driven (JD) National Emergency Grant (NEG) #2622

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

**References:** PI 14-04, issued August 21, 2014  
PI 12-19, issued October 15, 2012  
PI 12-23, issued December 12, 2012  
PI 15-29, issued December 1, 2015  
Workforce Investment Act (WIA)  
WIA Regulations at 20 Code of Federal Regulation (CFR) Parts 663 and 671  
U.S. Department of Labor (USDOL) Training and Employment Guidance Letter (TEGL) 4-10, issued August 6, 2010  
USDOL TEGL 16-12, issued March 7, 2013  
USDOL TEGL 13-15, issued February 23, 2016  
USDOL Training and Employment Notice (TEN) 29-13, issued April 28, 2014

**Rescissions:** None

**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 United States 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.

An important component of the JD NEG is the Workforce and Industry/Employer Partnerships. The partnerships in place, or being developed, with local WDBs, employers and/or industry groups, training providers, such as community colleges, and other organizations, such as labor unions, nonprofit organizations, and community-based organizations, are vital to effectively serve JD NEG participants and other dislocated workers.

Another key component of JD NEG projects will be work-based training models, which research has shown to be effective in helping jobseekers to quickly reenter the workforce, learn the desired skills in the workplace, and obtain employment utilizing the newly acquired skills and competencies. Examples of work-based training models include:

- Creation or expansion of Registered Apprenticeship programs and pre-apprenticeship programs with a pipeline to Registered Apprenticeship
- Creation or expansion of On-the-Job Training (OJT) programs
- Creation or expansion of customized training programs in partnership with an employer or multiple employers from a similar industry sector (not incumbent worker training)
- Expansion of existing career pathways programs that align

adult education, career and technical education, occupational skills training, soft skills, and supportive services

- Expansion of accelerated learning models, such as contextualized learning models that combine career content with basic skills development, leading to faster course completion and matriculation into employment and/or higher level training

This policy change extends the end date for full expenditure of JD NEG funds and provides information regarding the availability of updated wage cap guidance from the U.S. Department of Labor.

**Policy:**

The WDA was awarded JD NEG funds to implement new or expand local and regional job-driven partnerships that provide workers opportunities to participate in work-based training, or occupational training that results in an industry-recognized credential, and/or other non-training reemployment services, such as coaching, counseling, and direct job placement, that will enable them to obtain employment in industry sectors with demonstrated demand.

**Wage Cap for On-the-Job Training (OJT)**

Via TEGL 13-15, issued February 23, 2016, the USDOL provided updated wage cap guidance which is applicable to this grant. Please see TEGL 13-15 for details.

**Monitoring**

The deadline for full expenditure of JD NEG funds has been extended to September 30, 2016. Quarterly review of expenditures and enrollments will be completed by the WDA. Concerns regarding enrollment and expenditure levels will be addressed by the WIOA State Coordinator. Annual WIA programmatic reviews will incorporate a review of the JD 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 JD NEG funds at any time after March 31, 2016, based on enrollment and expenditure trends.**

All other provisions of WDA PI 14-04 not specifically altered by this policy change remain unchanged and in effect.

**Action:**

Regional Fiduciaries are required to submit a revised Budget Information Summary (BIS), incorporating the new end date for this grant, within 30 days from the issue date of this policy to Ms. Teresa Keyton at [keytont@michigan.gov](mailto:keytont@michigan.gov). Please copy your assigned WIOA State Coordinator on the e-mail submission.

**Inquiries:**

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

This policy issuance is available on the [WDA's website](#).

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. Teresa Keyton at 517-335-5858 for details.

**Expiration****Date:**

September 30, 2016

JB:MS:tk

**Budget Information Summary (BIS) Instructions  
Job-Driven National Emergency Grant**

**Section I - Identification Information**

1. Michigan Works! Agency (MWA) Name: Enter the name of the MWA.
2. Policy Issuance Number: Enter the Policy Issuance number that the Budget Information Summary covers.
3. Grant Name: Enter the name of the grant associated with the funding being awarded.
4. Project Name: Enter the name of the project associated with the funding being awarded.
5. Plan Period: Enter the start and end dates of the plan period, e.g., 07/01/14 to 9/30/16.
6. CFDA Number: Enter the CFDA number associated with the grant.

**Section II - Total Funds Available**

1. Allocation: Enter the amount of funds allocated for this grant.
2. Total Allocation: This field will auto-fill based upon the Allocation amount entered above.

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

1. Administration: Enter amount of Allocation planned for Administration. The maximum allowed for this grant is 8 percent.
2. Program: Enter amount of Allocation planned for Program costs.
3. Total Planned Costs: This field will auto-fill based upon the amounts entered for Administration and Program.

**PY 2014  
JOB-DRIVEN NEG FUNDING**

<b>Prosperity Region</b>	<b>Fiduciary</b>	<b>Allocation</b>
1	Job Force	\$606,500
2	NWMCOG	\$694,000
3	Region 7B	\$364,475
4	Ottawa County MWA	\$222,905
5	Great Lakes Bay	\$747,005
6	Macomb-St. Clair 6	\$1,400,000
7	Capital Area MW!	\$179,173
8	Berrien-Cass-Van Buren	\$305,537
9	Livingston County MWA	\$700,000
10	Macomb-St. Clair 10	\$831,905
Totals:		\$6,051,500
	State Level Administration	\$123,500
	Total JD NEG Award	\$6,175,000