



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
ACTING DIRECTOR

**OFFICIAL
Policy Issuance (PI): 21-14**

Date: May17, 2021

To: Michigan Works! Agency (MWA) Directors

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

Subject: Workforce Development Program Plan (WDPP) Modifications

Programs

Affected: All programs funded through the Michigan Department of Labor and Economic Opportunity, Workforce Development (LEO-WD)

References: 2 Code of Federal Regulations (CFR) Part 200

Rescissions: None

Background: In accordance with 2 CFR Section 200.308, if changes in labor market conditions, funding, or other factors require substantial deviation from an approved Workforce Development Program Plan (WDPP), the local MWA, and if necessary, with the approval of its local Workforce Development Board (WDB) and the appropriate Chief Elected Official (CEO) or officials, shall submit a modification of such a plan to WD for review and approval. The WDPP is defined as a "program spending plan" and does not include the Workforce Innovation and Opportunity Act (WIOA) Four-Year Regional and Local Plan, or modifications thereof.

Policy: MWA officials shall modify WDPPs whenever there is a substantial deviation from the original plan submission or as requested by WD.

Substantial Deviation

- Significant change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).
- Disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project.

- Transfers between funding sources.
- Any necessary incorporation of carry-forward funding from a previous Program Year (PY) or Fiscal Year (FY).
- An increase or decrease in a program allocation, including additional allocations or deobligations.
- Shifting of funds between program activities and/or cost categories at or in excess of 25 percent.
- New activities not described and defined in the initial WDPP that account for more than a 25 percent change in planned activities.

Transfers Between Funding Sources

Transfers of up to 100 percent of the current year allocation may be made between the WIOA Adult and Dislocated Worker funding sources. Intertitle transfers (those between Adult and Dislocated Worker) over 50 percent require written justification in addition to the Budget Information Summary to support the need for the reprioritization of funding. Intertitle transfers up to 50 percent do not require written justification or internal approval, unless local policy dictates otherwise.

Transfers cannot be made between Appropriation Years (AYs); (e.g., AY 2020 Adult to AY 2021 Adult or Dislocated Worker).

Transfers may be made during a grant period until the due date of the closeout report, providing the allowable percentage of allocation for transfer between the various programs is not exceeded. Changes resulting from transfers shall require simultaneous submission of a revised BIS.

Additional Allocations/Deobligations

Additional allocations or deobligations that revise local funding levels will require submission of a BIS and any necessary revised narrative affected by the change.

Signatures on Approval Request Forms

The WDB Chair, CEOs, and Grant Recipient are required to sign the WDPP Approval Request Form for:

- The initial WDPP for any AY or FY, and
- Any revisions or modifications to the WIOA Four-Year Regional and Local Plan.

An Approval Request Form is required for initial award allocations only, and is not required for subsequent allocations, deobligations, or transfers.

Timely Submission of Modifications

To efficiently process modifications, it is imperative that modifications be completed and submitted by their due date.

All PIs requesting modifications to WDPPs will require submission of the modification within 30 days of the date of the PI, except for modifications to Four-Year Regional and Local Plans which allows 90 days for submission.

Budget and WDPP revisions, such as changes in funding levels identified in the BIS cost categories or planned activities, that exceed 25 percent require both local board and WD approval. Within 30 calendar days from the date of receipt of the request for budget or WDPP revisions, the WD will review the request(s) and notify the recipient whether the budget revisions have been approved. If the revision is still under consideration at the end of 30 calendar days, the WD will inform the recipient in writing of the date when the recipient may expect the decision. Documentation of local board approval and supporting documentation, such as board meeting minutes, must be maintained by the MWA, retained in-house and made available upon request.

Individual program expenditure minimum and maximum mandates supersede the ability to transfer funding from one cost category to another. For example, an MWA may not transfer funding from a WIOA program cost category to local administration if the transfer would result in the MWA exceeding the maximum allowable local administration allocation of 10 percent of the award.

Action: Once the need for modification is determined, the MWA shall prepare the WDPP in accordance with the respective PI and submit the modification to WD for approval. The modification should also include a BIS, if necessary, per the guidance above. All PIs requesting modifications to WDPPs will require submission of the modification within 30 days of the issue date of the PI.

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 989-388-3272 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: Continuing

KJ:KP:ph