



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
ACTING DIRECTOR

**OFFICIAL
Policy Issuance (PI): 21-16**

Date: June 28, 2021

To: Michigan Works! Agency (MWA) Directors

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

Subject: Allocation Year (AY) 2021 Wagner-Peyser Employment Service (ES)
Allocations

**Programs
Affected:** Wagner-Peyser ES

Rescissions: None

References: The Wagner-Peyser Act of 1933, as amended by the Workforce Innovation
and Opportunity Act (WIOA) of 2014

ES Manual, issued September 8, 2020

The WIOA of 2014, Public Law 113-128 (29 United States Code
Section 3101, *et. seq.*)

The WIOA Final Rule 20 Code of Federal Regulation Part 682, et al.

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

United States Department of Labor (USDOL) Training and Employment Notice (TEN)
13-19, Wagner-Peyser Act Staffing Flexibility Final Rule, issued January 13, 2020

USDOL Training and Employment Guidance Letter 19-20, issued April 27, 2021

Background: The federal Wagner-Peyser Act of 1933 provides for the establishment of a
nationwide labor exchange system with ES offices that provide job matching
at no cost to all employers and job seekers. The Wagner-Peyser Act was
amended by the WIOA in 2014, which calls for stronger partnerships with ES
to seek new avenues to enhance seamless program delivery of services in
the One-Stop system.

LEO is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.
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The ES focuses on a variety of employment-related labor exchange services, as outlined in federal guidance and this policy.

Policy:

MWAs will receive \$15,359,000 of Wagner-Peyser 7(a) funding to provide a variety of employment-related labor exchange services.

Universal services provided by ES include job search assistance, help getting a job referral, and placement assistance for job seekers. Additionally, re-employment services are available for unemployment insurance claimants, as well as recruitment services to employers with job openings. Services are delivered in one of three modes including self-service, facilitated self-help services, and staff assisted service delivery approaches.

The services offered to employers, in addition to referral of job seekers to available job openings, include assistance in development of job order requirements, matching job seeker experience with job requirements and skills, assisting employers with special recruitment needs, arranging job fairs, assisting employers to analyze hard-to-fill job orders, assisting with job restructuring, and helping employers cope with layoffs.

Funding obligated for ES **may not** be utilized to purchase or maintain participant reporting systems or job matching systems, which include virtual job fair platforms, that duplicate those provided by the State.

The USDOL's Employment and Training Administration released TEN 13-19, the Wagner-Peyser Act Staffing Flexibility Final Rule removing the requirement that states hire state merit staff for ES activities provided under the Wagner-Peyser Act. The changes made in this final rule updated the regulations to align with the flexibility allowed under the WIOA and allows states to choose the service delivery model that can best meet their goals for the ES program. This may include a focus on services for individuals with barriers to employment, improved employment opportunities for Unemployment Insurance (UI) recipients and other job seekers, better services for employers, and improved outreach to individuals in rural areas. In alignment with the final rule, the Michigan Department of Labor and Economic Opportunity, Workforce Development (LEO-WD) has elected to allow local discretion of whether to utilize merit staff for provision of ES activities.

Performance Measures

Wagner-Peyser ES program participants are subject to the following performance measures and will be tracked in the One-Stop Management Information System:

- Employment During the Second Quarter After Exit: The percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program.
- Employment During the Fourth Quarter After Exit: The percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program.

- Median Earnings During the Second Quarter After Exit: The median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program.

“Median” is defined as the numerical value that separates the higher half from the lower half of earnings.

- Employer Measure: Indicator(s) of effectiveness in serving employers will be determined at a future date.

Carry-Forward of Funds from Prior Program Year

MWAs are allowed to carry an unlimited amount of PY 2020 Wagner-Peyser funds into PY 2021; however, at least **85 percent** of the **PY 2020** funding allocations must be expended by **December 31, 2021**.

- Excessive unspent **PY 2020** Wagner-Peyser funds as of **December 31, 2021**, may be recaptured and redistributed.
- Only administration costs associated with the Wagner-Peyser 7(a) ES programs should be charged against the Wagner-Peyser 7(a) allocation. There will be no limitations imposed on administration expenses; however, MWAs that indicate administration expenses above 20 percent will be monitored.

Carry-Forward of PY 2021 Funds Awarded in this Policy

MWAs will be allowed to carry an unlimited amount of PY 2021 Wagner-Peyser funds into PY 2022; however, at least **85 percent** of the **PY 2021** funding allocations must be expended by **September 30, 2022**.

- Excessive unspent **PY 2021** Wagner-Peyser funds as of **September 30, 2022**, may be recaptured and redistributed.
- Only administration costs associated with the Wagner-Peyser 7(a) ES programs should be charged against the Wagner-Peyser 7(a) allocation. There will be no limitations imposed on administration expenses; however, MWAs that indicate administration expenses above 20 percent will be monitored.

Cash Requests/Financial Reporting

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 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, 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 WD on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due to WD no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to WD no later than 60 days after the end of the grant period. If 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 email Mr. Michael LaCharite at lacharitem1@michigan.gov.

Action: MWA officials must submit a Budget Information Summary and the Approval Request form as a condition of receiving Wagner-Peyser ES funds for PY 2021. Templates are attached to this policy for MWA use.

These documents must be submitted electronically to WD at LEO-TSDIV@michigan.gov within 30 days of the issuance of this policy.

Inquiries: Questions regarding this policy should be directed to your Workforce Innovation Team 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: June 30, 2023

KJ:BE:ph
Attachments

Wagner-Peyser Employment Services

Budget Information Summary (BIS) Instructions

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. "21-16" has been pre-printed.

Grant Name: Enter the name of the grant associated with the funding being awarded. "AY21 Wagner-Peyser 7(a)" has been pre-printed.

Project Name: Enter the name of the project associated with the funding being awarded. "AY21 Wagner-Peyser 7(a)" has been pre-printed.

Plan Period: Enter the start and end dates of the plan period. "07-01-2021 through 06-30-2023" has been pre-printed.

Catalog of Federal Domestic Assistance (CFDA) Number: Enter the CFDA number associated with this grant. "17.207" has been pre-printed.

Section II - Total Funds Available

Beginning Allocation: Enter the amount of the allocation.

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

Total Funds Available: This cell will automatically calculate the sum of Section II.

Section III - Planned Expenditures by Cost Categories

Administration: Enter the amount of funding to support MWA administration.

Program: Enter the amount of funding to support ES activities.

Total Planned Expenditures: This cell will automatically calculate.

Section IV – Limitation Percentage

Administration Percentage: This cell will automatically calculate the percentage of planned administration expenditures in comparison to total funds available.

The BIS may be found as an Excel attachment to this email.

APPROVAL REQUEST FORM

General Instructions

1. Michigan Works! Agency (MWA) Name and Number: Enter the name and number of the MWA.
2. Plan Title(s): Enter the title for the plan being submitted. *“Employment Service – Wagner-Peyser 7(a)” has been pre-printed.*
3. Policy Issuance (PI) Number: Enter the appropriate policy number. *“21-16” has been pre-printed.*
4. Plan Period: Identify the time period covered by the plan. *“07-01-2021 through 06-30-2023” has been pre-printed.*

The required signatories are designated in accordance with PI 21-02, issued January 5, 2021. Signatures are required from the Workforce Development Board Chair and the Chief Elected Official(s), or their authorized designee(s).

Note: Approval Request Forms are only required for initial grant allocations. Subsequent allocations for the same grant or deobligations of funds will not require another signed form.

Approval Request Form

1. Michigan Works! Agency (MWA) Name and Number:

2. Plan Title(s): Employment Service – Wagner-Peyser 7(a)

3. Policy Issuance Number: 21-16

4. Plan Period: 07-01-2021 through 06-30-2023

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:

**ALLOCATION YEAR 2021 WAGNER-PEYSER AWARDS
JULY 1, 2021 – JUNE 30, 2023**

Michigan Works! Agency	Allocation
Berrien/Cass/Van Buren	\$ 408,146
Capital Area	\$ 669,855
Detroit Employment Solutions Corporation	\$ 1,290,072
GST Michigan Works!	\$ 1,016,147
Great Lakes Bay	\$ 686,165
Macomb/St. Clair	\$ 1,710,099
Northeast	\$ 259,709
Northwest	\$ 462,126
Oakland	\$ 1,933,632
Region 7B	\$ 255,181
Southeast	\$ 1,214,755
SEMCA	\$ 1,830,840
Southwest	\$ 696,912
Upper Peninsula	\$ 510,465
West Central	\$ 307,934
West Michigan Works!	\$ 2,106,962
Total	\$15,359,000