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STATE OF MICHIGAN
DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT
LANSING

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OFFICIAL
Workforce Development Agency (WDA)
Policy Issuance (PI): 16-09

Date: June 24, 2016

To: Michigan Works! Agency (MWA) Directors

From: Joe Billig, Director, Office of Talent Policy and Planning
Workforce Development Agency **SIGNED**

Subject: Program Year (PY) 2016 Employment Service (ES) Plan Instructions

Programs Affected: Wagner-Peyser ES

Rescissions: None

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

5 Code of Federal Regulations (CFR), Section 900.603, revised January 1, 2009

20 CFR 662.300, Workforce Investment Act, Section 121(c)(2)
Bureau of Workforce Programs PI 07-29, issued December 17, 2007

WDA PI 11-11, ES Manual, issued October 21, 2011

WDA PI 16-04, issued April 7, 2016

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

ES focuses on a variety of employment-related labor exchange services including:

- job search assistance,
- assessment,
- job referral,
- placement of job seekers,
- re-employment services to unemployment insurance claimants,
- registering unemployment insurance claimants for work,
- delivery of the Unemployment Insurance (UI) Work Test, and
- recruitment services for employers.

Policy:

Each MWA must submit an ES Plan consisting of a Plan Narrative, Budget Information Summary (BIS) and Plan Request Form for the period of July 1, 2016 through June 30, 2017, as a condition of receiving Wagner-Peyser ES funds for PY 2016.

The PY 2016 Wagner-Peyser Planning Allocations are provided in Attachment G.

Both the Grant Name and the Project Name of the PY 2016 Wagner-Peyser allocation Grant Action Notices (GANs) will be identified as “AY16 Wagner-Peyser 7(a).”

AY 2016 Wagner-Peyser GANs will have a grant period of July 1, 2016 through June 30, 2018, even though PY 2016 is the period of July 1, 2016 through June 30, 2017. The following stipulations apply:

MWAs are allowed to carry in an unlimited amount of PY 2015 Wagner-Peyser funds into PY 2016, however, at least 85 percent of the PY 2015 funding allocations must be expended by December 31, 2016.

- Excessive unspent PY 2015 Wagner-Peyser funds not expended by December 31, 2016 will 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.

Merit-Based Wagner-Peyser ES Providers

Service-delivery staff, funded with Wagner-Peyser 7(a) must be Merit-Based.

Wagner-Peyser Services may be self-delivered by the MWA if they qualify as a merit-based entity, or the MWA can competitively select and contract with one or more merit-staffed organizations.

A Merit-based entity must be classified as one of the following types of organizations:

- governmental agency of the State of Michigan,
- local unit of government,
- special purpose unit of government,
- school district,
- intermediate school district
- public community college
- public university.

Standards for a merit system of personnel may be found in CFR Title 5, Chapter II, Subpart F, 900.603. Authority to require merit-staffing may be found in the Wagner-Peyser Act of 1933, as amended at Sections 3(a) and 3(b).

- **MWAs must hold their organization or the contracted Wagner-Peyser ES providers responsible to the standards for a merit system of personnel as described in the Code of Federal Regulations.**
- MWAs must confirm their organization or the contracted ES provider delivers employment services in accordance with the merit-based staffing standards, which include:
 - Recruiting, selecting, and advancing employees on the basis of their knowledge, skills and abilities,
 - Providing equitable and adequate compensation,
 - Training employees to assure high-quality performance,
 - Retaining employees on the basis of their performance, correcting inadequate performance, and separating employees whose inadequate performance cannot be corrected; and,
 - Assuring fair treatment of employees regardless of race, color, national origin, sex, religious creed, age or handicap.

Performance Measures

The following four performance measures will be tracked in the One-Stop Management Information System (OSMIS) for Wagner-Peyser ES programs:

- **Entered Employment During the Second Quarter After Exit**

The number of adult participants who are employed during the second quarter after the exit quarter, divided by the number of adult participants who exit during the quarter equals Entered Employment.

This measure provides an assessment of program impact on increasing employment for those who were unemployed. Individuals who are employed at the date of registration are excluded from this measure.

- **Retained Employment During the Fourth Quarter After Exit**

The number of adult participants who are employed during the fourth quarter after the exit quarter, divided by the number of adult participants who exit during the quarter equals Retained Employment.

- **Median Earnings During the Second Quarter After Exit**

Median earnings of program participants 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 by the Department of Labor (DOL) before the commencement of year two.

The performance goals for the above four measures are being negotiated by the DOL and will be distributed to the MWAs upon completion.

Plan Instructions

The ES Plan required of each MWA will consist of the following:

Section I. Plan Narrative – describes the services and activities to be provided during PY 2016. Attachment A provides general instructions for completing the narrative portion of the ES Plan. Complete the Merit-Based Staffing Certification provided in Attachment B and submit with the Plan Narrative.

Section II. Budget Information Summary (BIS) – identifies the PY 2016 allocation and how the funds will be spent for the plan period (Attachment D). Attachment C provides the general instructions for completing the ES BIS.

Section III. Plan Approval Request Form – bears the signature of the chief elected official(s) or the designated signatory; and the signature of the Workforce Development Board Chairperson or the designated signatory (Attachment F). Attachment D contains the ES Plan Approval Request Form general instructions.

Cash Requests/Financial Reporting

The MWA will process all cash requests through Management of Awards to Recipients System (MARS) in accordance with the MARS Manual. The MWA must have appropriate documentation on file to support each cash draw. All reporting of fiscal expenditures of the funds provided through this grant must be reported to the WDA on a quarterly basis. A final close-out report is also required. All quarterly financial expenditure reports are due to the WDA no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to the WDA 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. Submit reports to the [MARS system](#).

If there are any questions regarding cash requests or submission of quarterly expenditure reports, please call Kerry Trierweiler at 517-241-1788.

Action: MWA officials shall prepare and submit a Plan Narrative, a BIS, using the allocations listed in Attachment G, a Plan Approval Request form and the completed Merit-Based Staffing Certification (Attachment B) to the WDA within 30 days of the date of this policy issuance. Templates are attached.

These documents must be submitted electronically to the Welfare Reform/Wagner-Peyser email at WDA-WR-WP@michigan.gov.

Quarterly financial expenditure reports are to be submitted following the guidelines described in the preceding section.

Inquiries: Questions regarding this policy should be directed to Brian Marcotte, Welfare Reform and Wagner-Peyser Manager by email at marcotteb1@michigan.gov.

In accordance with the Americans with Disabilities Act, the information contained in this policy will be made available in an alternative format (large type, audiotape, etc.) upon request to this office.

Expiration

Date: June 30, 2017

JB:BE:pv
Attachments

**EMPLOYMENT SERVICE (ES) PLAN NARRATIVE
General Instructions**

1. Michigan Works! Agency (MWA) Contact Person:
Identify an MWA contact person; including address, phone number, and email address for purposes of communication regarding the ES Plan.

2. Merit-Based Service Provider(s)

Please complete and insert the following table into the ES Plan Narrative.

1	2	3	4	5
MWA PROVIDED	CONTRACTED SERVICE PROVIDER	NAME OF ENTITY	TYPE OF ENTITY	Merit Based Entity

Column 1 – Place an X in this column if the Wagner-Peyser Services will be self-delivered by the MWA.

Column 2 – Place an X in this column if the MWA is contracting with a Service Provider to deliver Wagner-Peyser Services. If the MWA is contracting with multiple service providers please use a separate row for each entity.

Column 3 – List the legal name of each entity that is responsible for the delivery of Wagner-Peyser Services.

Column 4 – List the type of Entity. Choose from the following:

- ✓ governmental agency of the State of Michigan,
- ✓ a local unit of government,
- ✓ special purpose unit of government,
- ✓ school district,
- ✓ intermediate school district,
- ✓ public community college,
- ✓ public university,
- ✓ other.

Column 5 – If this is a merit-based organization place an X in this column.

3. Provision of Labor Exchange Services:

- Describe how Wagner-Peyser funded services will be provided at no cost to employers and job seekers.
- Explain how Labor Exchange services will be provided using the three tiers of services: self-services, facilitated services, and staff-assisted services. In what manner are core and intensive services delivered? List how many staff will be available at each site to provide services.

4. UI Work Test:

Describe how the Unemployment Insurance (UI) Work Test will be administered. The description must include an explanation of how the ES registration of UI claimants will be conducted, and how reporting claimant non-compliance with the “Able, Available and Seeking Work” requirements will be managed.

5. Re-employment Services and Eligibility Assessment (RESEA):

States are required by federal law to implement a system of reemployment services for all new UI claimants. Include a description of how the RESEA requirements will be administered.

6. Participation in a System of Clearing Labor between the States:

As a component of the National Labor Exchange System, MWAs must participate in a system for clearing labor between the States by accepting and processing interstate and intrastate job orders. Explain how the MWA will conduct such operations.

7. Services to Veterans:

Explain how the MWA will ensure Veterans will be provided access to the same employment services received by the general population. Describe the screening process the MWA uses to refer eligible Veterans to Disabled Veterans' Outreach Program Specialists for case management services; and, how the priority of services for Veterans and eligible spouses will be applied in the delivery of Wagner-Peyser funded employment services.

8. Services Provided to Migrant and Seasonal Farm Workers (MSFW):

MWAs must assure MSFWs have equitable access and receive the full range of employment services that are provided to non-MSFW customers.

Explain the services and staffing that the MWA will use to ensure that MSFWs will be provided with access to the same employment services, benefits, protections, counseling, testing, and job and training referral services received by the general population. Include a description of the referral process to Migrant Service Workers or other appropriate MWA staff.

9. Carry In Dollars:

Please indicate any Wagner-Peyser funding from PY 2015 that will be carried into PY 2016.

10. Additional Services:

Describe in detail any planned services or activities for which ES funds would be utilized that are different from, or in addition to, the services described in other areas of the narrative.

MERIT-BASED STAFFING CERTIFICATION

Certification Regarding Merit-Based Staffing for Wagner-Peyser, and Trade Adjustment Assistance Service Providers

All service provider staff funded with Wagner-Peyser and Trade Adjustment Assistance (TAA) must be merit-staffed employees of eligible local governments that follow a merit system of personnel administration in accordance with 5 CFR 900.603.

The undersigned certifies that:

- (1) The MWA meets merit-staffing requirements or has competitively selected and contracted with one or more eligible merit-staffed local government entities to provide Wagner-Peyser and TAA services.
- (2) Staff providing services are merit-staffed local government employees that are employees of local units of government, special purpose units of government, school districts, intermediate school districts, public community colleges or public colleges and universities.
- (3) The MWA maintains on file a certification from each Wagner-Peyser and TAA service provider. The certification must detail the provider is an eligible local unit of government and follows an established merit system of personnel administration that is in compliance with 5 CFR 900.603. The certification is to be available for review by the Talent Investment Agency-Workforce Development Agency, the federal Office of Personnel Management, or their authorized agents.
- (4) If the MWA self-delivers the Wagner-Peyser or TAA program, it has been approved to do so by the WDA through the processes and procedures detailed in the Local Board Manual.

MWA Official Certifying This Form

Name Title

MWA

Date

Wagner-Peyser**Budget Information Summary (BIS) Instructions****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. "16-09" has been pre-printed.

Grant Name: Enter the name of the grant associated with the funding being awarded. "AY16 Wagner-Peyser 7(a)" has been pre-printed.

Project Name: Enter the name of the project associated with the funding being awarded. "AY16 Wagner-Peyser 7(a)" has been pre-printed.

Plan Period: Enter the start and end dates of the plan period. "07/01/16 to 06/30/17" has been pre-printed.

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

Section II - Total Funds Available

Beginning Allocation: Enter the amount of allocation.

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

Total Appropriation Year (AY) Funding: This cell will automatically calculate the sum of Section II.

Section III - Planned Expenditures by Cost Category

Administration: Enter amount of funding to support MWA administration (20% limitation on allocation).

Program: Enter the amount of funding to support programmatic costs.

Section IV – Limitation Percentage

Planned Administration expenditures should be equal to or less than 20%: This cell will automatically calculate the percentage of planned administration expenditures in comparison to total funds available.

The Budget Information Summary (Wagner-Peyser Program) can be found as an Excel attachment to this email.

EMPLOYMENT SERVICE (ES) PLAN APPROVAL REQUEST FORM

General Instructions

1. Michigan Works! Agency (MWA): Enter the name of the MWA.
2. Plan Title: Enter the title for the plan being submitted. *“Employment Service – Wagner-Peyser 7(a)” has been pre-printed.*
3. Issuance Number: Enter the appropriate policy issuance number. *“16-09” has been pre-printed.*
4. Plan Period: Identify the time period covered by the plan. *“07-01-2016 - 06-30-2017” has been pre-printed.*
5. Grant Name: Enter the Grant Name. *“AY16 Wagner-Peyser 7(a)” has been pre-printed.*
6. Project Name: Enter the Project Name. *“AY16 Wagner-Peyser 7(a)” has been pre-printed.*

Employment Service Plan Approval Request

1. Michigan Works! Agency (MWA):		
2. Plan Title: Employment Service – Wagner-Peyser 7(a)		
3. Policy Issuance Number: 16-09	4. Plan Period: 07-01-2016 through 06-30-2017	
5. Grant Name: AY16 Wagner-Peyser 7(a)	6. Project Name: AY16 Wagner-Peyser 7(a)	

The Chief Elected Official(s) (CEO[s]) and Workforce Development Board (WDB) hereby request approval of this document.

Authorized CEO	Date
Authorized CEO	Date
Authorized CEO	Date
WDB Chairperson	Date

WDA 1001-01 (Revised 05-16)

The Workforce Development Agency, State of Michigan, in compliance with applicable federal and state laws, does not discriminate in employment or in the provision of services based on race, color, religion, sex, national origin, age, disability, height, weight, genetic information, marital status, arrest without conviction, political affiliation or belief, and for beneficiaries only, citizenship or participation in any federally assisted program or activity.

WAGNER-PEYSER ALLOCATIONS**Program Year 2016 (July 1, 2016 - June 30, 2017)**

Michigan Works! Agency	Planning Allocation
Berrien/Cass/Van Buren	249,149
Capital Area	410,133
Detroit Employment Solutions Corp.	752,963
GST Michigan Works	637,440
Great Lakes Bay	441,651
Macomb/St. Clair	988,505
Northeast	126,356
Northwest	290,781
Oakland	1,137,060
Region 7B	125,198
SE Michigan Consortium	724,522
SEMCA	1,049,995
Southwest	418,234
UPWARD Talent Council	297,301
West Central	168,037
West Michigan Works!	1,182,675
Total	\$9,000,000

Allocation based on calendar year 2015 average civilian labor force (50%) and average Unemployment (50%).

WDA April 11, 2016.