



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT  
LANSING

STEVE ARWOOD  
DIRECTOR

**OFFICIAL**  
**Talent Investment Agency (TIA)**  
**Policy Issuance (PI): 16-18**

**Date:** October 17, 2016

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

**From:** Wanda M. Stokes, Director **SIGNED**  
Talent Investment Agency

**Subject:** Trade Adjustment Assistance (TAA) Fiscal Year 2017 Allocations (for expenditure October 1, 2016 through September 30, 2017)

**Programs Affected:**

- Trade Act of 1974, as amended
- Trade Act of 2002
- Trade and Globalization Adjustment Assistance Act (TGAAA) of 2009
- Trade Adjustment Assistance Extension Act (TAAEA) of 2011
- Trade Adjustment Assistance Reversion 2014
- Trade Adjustment Assistance Reauthorization Act (TAARA) of 2015

**Rescissions:** None

**References:**

- The Trade Act of 1974, Public Law (PL) 93-618, as amended
- The Trade Act of 2002, PL 107-210
- The Trade and Globalization Adjustment Assistance Act (TGAAA) of 2009, PL 111-520
- The Trade Adjustment Assistance Extension Act (TAAEA) of 2011, PL 112-40
- The Trade Adjustment Assistance Reauthorization Act (TAARA) of 2015, PL 114-27

United States (U.S.) Department of Labor Training and Employment  
Guidance Letters No. 11-02 (and subsequent changes), 22-08 (and  
subsequent changes), 10-11 (and subsequent changes), 07-13 and 05-15

PI 15-23, issued September 29, 2015

PI 15-12, issued July 17, 2015

PI 11-23, issued March 12, 2012

PI 10-21, issued January 26, 2011

PI 09-21, issued November 23, 2009

PI 07-18, Change 2, issued December 22, 2008

**Background:** TAA is a federal program that assists U.S. workers who have lost their jobs as a result of foreign trade. The program seeks to provide adversely affected workers with opportunities to obtain the skills, credentials, resources, and support necessary to become reemployed.

The TIA has identified Appropriation Year (AY) 2015 funding to support TAA program activities for the period October 1, 2016 through September 30, 2017. This policy issuance encompasses all TAA funds management requirements and policies. AY 2015 funding must be fully expended by September 30, 2017.

**Policy:**

**Program Funds**

TAA program funds can be used to fund the following TAA services (and all allowable benefits that accompany the services):

- Classroom Training
- On-the-Job Training
- Customized Training
- Registered Apprenticeship Training
- Job Search Allowances
- Relocation Allowances

Examples of allowable benefits that accompany these services include (but are not limited to):

- Travel and subsistence costs
- Books
- Required education supplies
- Course fees
- Other items/services deemed necessary by the training institution for completion of the program.

### **Administrative Funds**

Up to 5 percent of total program (Training, Job Search, and Relocation) expenditures may be used to support the local administration. It is prohibited to take administrative funds from the expenditure of Case Management funds.

TAA administrative funds can be used for the following:

- Salaries and benefits for staff
  - Providing program services
  - Providing program oversight
  - Monitoring and reviewing program operations
  - Providing outreach and education to employers and eligible workers
  - Collecting, validating, and reporting required information
- Program related supplies, equipment, travel, postage, utilities, rental, and maintenance of office space
- Re-engagement of TAA workers efforts
- One-Stop infrastructure costs (as part of the MWA's current cost allocation plan)
- Integration of the TAA program into the One-Stop (local coordination)

### **Case Management Funds**

The TGAAA of 2009, TAAEA of 2011 and TAARA of 2015 require that Case Management services are designated and provided to adversely affected workers.

Allowable Case Management activities include the provision of:

- Comprehensive Assessments
- Individual Service Strategies
- Training Information
- Financial Aid Information
- Employability Skills Assistance
- Career Counseling
- Labor Market Information
- Supportive Service Information

The following are additional allowable Case Management activities for the TGAAA of 2009, TAAEA of 2011 and TAARA of 2015:

- Staff time spent on:
  - Conducting TAA program monitoring/auditing
  - Participant data-entry into the One-Stop Management Information System (including entry of case notes)
  - Benchmarking
  - The development and tracking of training plans
  - The removal of employment barriers
  - Issuing, continuing, extending and revoking waivers from training, and
  - Follow-up/outcomes
- Skills transferability analysis
- Peer counselors
- Costs associated with training of TAA and non-TAA staff on the TAA program, including activities and services available to TAA participants
- Case management tools and equipment (including electronic equipment)
- Re-engagement of TAA workers efforts
- Rent and utilities for the support of TAA staff
- One-Stop infrastructure costs (as part of the MWA's current cost allocation plan)
- Business Service activities that contribute to the employment of TAA customers

**Note:** In cases where costs may be applied to one or more funding source(s), the MWA must charge costs in accordance with their existing policy, which requires consistent treatment across programs, as well as adherence to the period of performance in which the funds were authorized.

Case Management funds made available under this policy may not be used to support reemployment services for participants certified under the Trade Act of 2002.

### **Merit Staffing**

Please refer to PI 10-21 for TAA Merit Staffing requirements.

## **Allocations**

The formula to determine MWA awards considers a 50 percent weighted average on enrolled participants for the last four quarters, and a 50 percent weighted average on participants in training for the last four quarters. Case Management funding awards were calculated by determining 35 percent of the total MWA AY 2015 award. A minimum of \$100,000 Job Search, Relocation, and Training allocation was provided to all MWAs.

The FY 2017 (AY 2015) TAA Allocations Table has been included in this policy issuance.

## **Fiscal Policies and Procedures**

There will be no carry-forward of unexpended funding awarded in this policy issuance.

Grantees are required to report all financial transactions on a full accrual basis.

MWAs must process and access all cash requests through the Management of Awards to Recipients System (MARS) in accordance with the MARS manual. The MWA must maintain appropriate documentation to support each cash draw.

All reporting of fiscal expenditures of the funds provided through this grant must be reported to the TIA on a quarterly basis. A final closeout report is also due. All quarterly financial expenditure reports are due to the TIA no later than the 20th calendar day after the end of the calendar quarter. The final close-out report is due to the TIA 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 20th. Submit reports to [MARS](http://www.michigan.deleg-mars.org/) (<http://www.michigan.deleg-mars.org/>). If there are any questions, please call Mr. Kerry Trierweiler at 517-241-1788.

In the MARS, AY 2015 TAA expenditures shall be reported under:

**Grant** – AY15 Trade Adjustment Assistance  
**Project** – Trade

**Note:** Specific cost categories that are available include Administration, Case Management, Job Search Allowances, Relocation Allowances, and Training.

MWAs may request additional TAA funds if the MARS awards are exceeded by contacting Ms. Tammy Flynn, TAA Manager, by email at [FlynnT@michigan.gov](mailto:FlynnT@michigan.gov) or by telephone at 517-335-4267.

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

To maximize Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker funding, MWAs should continually evaluate WIOA Dislocated Worker training participants to ensure TAA-eligible individuals are funded by TAA, when appropriate. The TIA encourages continual dual-enrollment of TAA participants into the WIOA programs.

### **Training Cap Waivers**

The TIA eliminated the state annual training cap (and waiver process) for TAA participants. However, the MWA must continue to assist TAA customers in choosing training that is available at a reasonable cost.

When approving training, the following must be considered (from 20 CFR 617.22):

“Available at a reasonable cost means that training may not be approved at one provider when, all costs being considered, training substantially similar in quality, content and results can be obtained from another provider at a lower total cost within a similar time frame. It also means that training may not be approved when the costs of the training are unreasonably high in comparison with the average costs of training other workers in similar occupations at other providers.”

In determining whether the cost of a particular training program is reasonable, first consideration must be given to the lowest cost training which is available within the commuting area. When training substantially similar in quality, content and results is offered at more than one training provider, the lower cost training shall be approved.

The justification for the training program approved must be included in the case file (including training institution cost comparisons). If a training program is chosen at a higher cost than other similar training programs, justification must be contained in the case file explaining why the program was approved.

### **Plan Instructions**

The TAA plan shall consist of the following:

- 1) Plan Approval Request – Attachment A
- 2) Budget Information Summary (BIS) – Attachment B

**Action:**

Local areas are required to submit one Budget Information Summary within 30 calendar days from the issue date of this policy issuance by email to [TAA@michigan.gov](mailto:TAA@michigan.gov).

Local areas are also required to submit one signed Plan Approval Request form, with original signatures from the Chief Elected Official(s), Workforce Development Board Chair, or their designee(s) in accordance with PI 14-14 and PI 14-14, Change 1. Plan Approval Request forms must be submitted within 30 calendar days from the issue date of this policy issuance to:

Ms. Pam Vance  
Talent Investment Agency  
Office of Talent Policy and Planning  
TAA Section  
Victor Office Center  
201 North Washington Square, 5<sup>th</sup> Floor  
Lansing, MI 48913

**Inquiries:** Questions regarding this policy issuance should be directed to your TAA State Coordinator at 517-373-6234. The information contained in this policy issuance will be made available in an alternative format (large type, audio tape, etc.) upon request to this office.

**Expiration  
Date:** September 30, 2017

WS:JL:pv  
Attachments

**Trade Adjustment Assistance (TAA)  
Plan Approval Request  
Instructions**

**Identifying Information**

1. Michigan Works! Agency (MWA): Enter the name and number of the MWA.
2. Program Title: Enter the appropriate program title. "TAA Program" has been pre-printed.
3. Policy Issuance (PI) Number: Enter the appropriate PI number. "16-18" has been pre-printed.
4. Plan Period: Identify the plan's time period covered. "10/01/16 through 09/30/17" has been pre-printed.

## Plan Approval Request

1. Michigan Works! Agency (MWA) Name and Number:
2. Plan Title(s): TAA Program
3. Policy Issuance Number: 16-XX
4. Plan Period: 10/01/16 through 9/30/17

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

Authorized Chief Elected Official	Date:
Authorized Chief Elected Official	Date:
Authorized Chief Elected Official	Date:
Workforce Development Board Chairperson	Date:

**Trade Adjustment Assistance (TAA)  
Budget Information Summary (BIS) Instructions**

**Section I - Identification Information**

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

Policy Issuance: Enter the Policy Issuance number applicable for the BIS. (“16-18” has been entered.)

Grant Name: Enter the name of the grant associated with the funding being awarded. (“AY15 Trade Adjustment Assistance” has been entered.)

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

Plan Period: Enter the start and end dates of the plan period. (“10/01/16 to 09/30/17” has been entered.)

CFDA Numbers: Enter the appropriate CFDA number for the funding being awarded. (“#17.245” has been entered.)

**Section II - Total Funds Available**

Program Award: Enter the amount of the program allocation.

Case Management Award: Enter amount of the allocation planned for case management activities. MWAs were awarded 35% of the program award for case management activities.

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

Administration: Enter amount of allocation planned for administration. MWAs may not expend more than 5% of total expenditures on administrative activities.

Job Search: Enter amount of allocation planned for job search allowance activities.

Relocation: Enter amount of allocation planned for relocation allowance activities.

Training: Enter amount of allocation planned for training activities (and related costs).

**Section IV – Limitation Percentages**

This section was developed to assist the MWA and TAA state coordinators in reviewing planned expenditures and to ensure MWAs are in line with required percentages.

***The Budget Information Summary (AY15 Trade Adjustment Assistance) can be found as an Excel document, Attachment B, to this email.***

**FY 2017 Trade Adjustment Assistance Allocations**

<b>Michigan Works! Agency</b>	<b>Program Award (Job Search, Relocation, Training)</b>	<b>Case Management Award</b>	<b>Total Funding *</b>
West Michigan Works	879,657	307,880	1,187,537
Berrien/Cass/Van Buren	100,000	35,000	135,000
Capital Area	100,000	35,000	135,000
DESC	537,874	188,256	726,130
Great Lakes Bay	678,287	237,400	915,687
Macomb/St. Clair	656,630	229,821	886,451
Northeast	100,000	35,000	135,000
Northwest	100,000	35,000	135,000
Oakland	1,347,239	471,534	1,818,773
Region 7B	100,000	35,000	135,000
SEMCA	509,738	178,408	688,146
Southwest	292,300	102,305	394,605
Upper Peninsula Talent Council	100,000	35,000	135,000
GST Michigan Works	409,146	143,201	552,347
Southeast	289,396	101,289	390,685
West Central	100,000	35,000	135,000
<b>State Total</b>	<b>6,300,267</b>	<b>2,205,094</b>	<b>8,505,361</b>

*\* Funding awarded is Appropriation Year 2015 funding (for expenditure October 1, 2016 through September 30, 2017)*