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DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT
TALENT INVESTMENT AGENCY
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**OFFICIAL
Policy Issuance (PI): 17-23**

Date: November 14, 2017

To: Michigan Works! Agency (MWA) Directors

From: Wanda M. Stokes **SIGNED**
Director

Subject: Trade Adjustment Assistance (TAA) Fiscal Year (FY) 2018 Allocations (for expenditure October 1, 2017 through September 30, 2018), TAA Plan Narrative Instructions, and Merit Staffing Certification for FY 2018.

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: Trade Act of 1974, Public Law (PL) 93-618, as amended

Trade Act of 2002, PL 107-210

TGAAA of 2009, PL 111-520

TAAEA of 2011, PL 112-40

TAARA of 2015, PL 114-27

United States 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: 15-12, issued July 17, 2015

PI: 10-21, issued January 26, 2011

TAA Comprehensive Manual, issued December 29, 2016

Background: The 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.

In this policy, the Michigan Talent Investment Agency (TIA) has identified \$10,500,000 of Appropriation Year (AY) 2016 funding to support TAA program activities for the period October 1, 2017 through September 30, 2018, and encompasses all TAA funds management requirements and policies.

Additionally, this policy provides guidance to the local areas regarding the development and submission of a local TAA plan narrative, and certifies the merit staffing requirement; all of which are in compliance with the requirements of TAA regulations and directives.

Policy:

Program Funds

The 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 five 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.

The 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.
 - 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.

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 2016 program award. A minimum of \$92,827 Job Search, Relocation, and Training allocation was provided to all MWAs.

The FY 2018 (AY 2016) TAA Allocations Table has been included in this policy.

Fiscal Policies and Procedures

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

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](#). If there are any questions, please call Ms. Marilyn Carey at 517-373-7243.

In the MARS, AY 2016 TAA expenditures shall be reported under:

Grant – AY16 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. Jimelle Blakley, TAA State Coordinator, by email at blakleyj1@michigan.gov or by telephone at 517-241-8629.

Please refer to the Procurement PI: 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 Code of Federal Regulations [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.

TAA Plan Narrative

The delivery of the TAA program by the MWA is represented in the TAA Plan Narrative. The TAA Plan Narrative, Attachment A, requires a description of the services and/or activities to be provided by the MWA to adversely affected workers during FY 2018, which is to be submitted to the TIA.

Merit Staffing

All service provider staff funded by 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.

To prove verification of merit-staffed employees, Attachment B, provides Certification Regarding Merit-Based Staffing for TAA Service Providers. Please refer to PI: 10-21 for TAA Merit Staffing requirements.

MWA Direct Delivery of TAA Services

A local MWA may submit, through the TAA Plan Narrative, a request to deliver TAA services if the MWA determines there are value and cost savings of providing direct delivery of these services. This request does not relieve an MWA from the Merit Staffing requirement previously described. If the MWA requests to convert to self-delivery during the fiscal year, a change to the TAA Plan Narrative must be submitted by email to TAA@michigan.gov.

To direct deliver TAA services, the TAA Plan Narrative must contain the TAA staffing plan, including the number of program manager(s) and case manager(s), and a description of the value and cost savings of providing direct delivery of TAA services.

Action: Local areas are required to submit a Budget Information Summary, a local TAA Plan Narrative, and a Merit-Based Staffing Certification within 30 calendar days from the issue date of this policy by email to 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. Plan Approval Request forms must be submitted within 30 calendar days from the issue date of this policy to:

Michigan Talent Investment Agency
Targeted Services Division
Ms. Pam Vance, Executive Secretary
201 North Washington Square, 5th Floor
Lansing, Michigan 48913

The TIA will not accept documents prior to the official date of the policy.

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

Expiration Date: September 30, 2018

WMS:JB:sg
Attachment

**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. "17-23" has been pre-printed.
4. Plan Period: Identify the plan's time period covered. "10/01/17 through 09/30/18" has been pre-printed.

The Approval Request Form, "AY16 Trade Adjustment Assistance," can be found as a document, Attachment C, to this email.

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. (“17-23” has been pre-printed.)

Grant Name: Enter the name of the grant associated with the funding being awarded. (“AY16 Trade Adjustment Assistance” has been pre-printed.)

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

Plan Period: Enter the start and end dates of the plan period. (“10/01/17 to 09/30/18” has been pre-printed.)

Catalog of Federal Domestic Assistance (CFDA) Numbers: Enter the appropriate CFDA number for the funding being awarded. (“#17.245” has been pre-printed.)

Section II - Total Funds Available

Program Award: Enter the amount of the program allocation.

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

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

Total Funding: Enter the total of Program, Case Management, and Administrative Funding.

Section III - Current AY Planned Expenditures by Cost Category

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).

Total Program: Enter the total of Job Search, Relocation, and Training Award.

Section IV – Limitation Percentages

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

The Budget Information Summary (AY16 Trade Adjustment Assistance) can be found as an Excel document, Attachment D, to this email.

**Trade Adjustment Assistance (TAA)
Plan Narrative (Fiscal Year 2018)**

A. Michigan Works! Agency (MWA) Identification Information

1. Identify the MWA contact person (including email and phone number) for purposes of discussing the TAA plan contents.

B. Service Providers

1. List the legal name of each entity that is responsible for the delivery of TAA Services. Indicate if the MWA requests to self-deliver TAA services (see B.2)
2. If the MWA requests to self-deliver TAA Services, include the TAA staffing plan, with the number of program manager(s) and case manager(s), and a description of the value and cost savings of providing direct delivery of TAA services. If the MWA is not requesting to self-deliver TAA services, indicate N/A.
3. For each provider of TAA Services, 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.
4. For each provider of TAA Services, indicate whether they are a merit-based organization.

C. Design and Governance

1. How is the TAA program a part of the MWAs local strategic planning process?
2. How are services coordinated with Workforce Innovation and Opportunity Act?
3. How does the TAA program's training and other benefits factor into the MWA's plan to effectively meet the needs of employers in the local area?
4. How does the MWA ensure all TAA determinations are provided in writing and include access to the protest and appeal process?

D. TAA Services

1. What process is used for contacting all adversely affected workers upon certification (including the process used to ensure all certified workers are contacted for the duration of the certification)?

2. Explain the MWA's local TAA intake process, including Worker Benefit Orientations.
3. What process is used to guide the adversely affected worker in determining the best approach for returning to sustainable work, in view of the worker's current skills, knowledge and abilities, and those which the worker would need to obtain to be successful?
4. What Labor Market Information sources, including local, are utilized in assisting adversely affected workers (determining if the worker has suitable employment, determining if the worker has a reasonable expectation of becoming employed following the completion of training, etc.)?
5. Describe the development of Individual Service Strategies.
6. What is the MWA local policy for issuing, reviewing, extending, and revoking waivers from training?
7. For the Trade Adjustment Assistance Extension Act of 2011 and Trade Adjustment Assistance Reauthorization Act of 2015, what specific criteria are needed to allow the issuance of a Waiver from Training?
8. What strategies are utilized to encourage the use of Job Search and Relocation Allowance benefits?
9. How does the MWA approve and document the six TAA training criteria (for approval of TAA training)?
10. What opportunities are TAA-certified workers provided to enter Employer-Based Training?
11. How does the MWA ensure Benchmark requirements are met and appropriate steps are taken after Benchmark failures?

How and when are Alternative Trade Adjustment Assistance/Reemployment Trade Adjustment Assistance participants notified of potential eligibility?

Merit-Based Staffing Certification

Certification Regarding Merit-Based Staffing for Trade Adjustment Assistance (TAA) Service Providers

All service provider staff funded with TAA must be merit-staffed employees of eligible local governments that follow a merit system of personnel administration in accordance with 5 Code of Federal Regulations (CFR) 900.603.

The undersigned certifies that:

- (1) The Michigan Works Agency (MWA) meets merit staffing requirements or has competitively selected and contracted with one or more eligible merit-staffed local government entities to provide 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 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, the federal Office of Personnel Management, or their authorized agents.

MWA Official Certifying This Form

Name Title

MWA

Date

Approval Request Form

| |
|--------------------------------------------------|
| 1. Michigan Works! Agency (MWA) Name and Number: |
| 2. Plan Title(s): TAA Program |
| 3. Policy Issuance Number: 17-23 |
| 4. Plan Period: 10/01/2017 – 9/30/2018 |

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: | |

The Talent Investment Agency, 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.

**Trade Adjustment Assistance Allocations
Fiscal Year 2018**

| Michigan Works! Agency | Program Award (Job Search, Relocation, Training) | Administrative Funds* | Case Management Award | Total Funding** |
|-----------------------------------|-------------------------------------------------------------------------|----------------------------------|--------------------------------------|------------------------|
| West Michigan Works | 829,838 | 41,491 | 290,442 | 1,161,771 |
| Berrien/Cass/Van Buren | 92,857 | 4,643 | 32,500 | 130,000 |
| Capital Area | 92,857 | 4,643 | 32,500 | 130,000 |
| DESC | 569,032 | 28,452 | 199,161 | 796,645 |
| Great Lakes Bay | 1,180,359 | 59,018 | 413,126 | 1,652,503 |
| GST Michigan Works | 408,148 | 20,407 | 142,852 | 571,407 |
| Macomb/St. Clair | 989,462 | 49,473 | 346,312 | 1,385,247 |
| Northeast | 92,857 | 4,643 | 32,500 | 130,000 |
| Northwest | 92,857 | 4,643 | 32,500 | 130,000 |
| Oakland | 917,605 | 45,880 | 321,162 | 1,284,647 |
| Region 7B | 92,857 | 4,643 | 32,500 | 130,000 |
| SEMCA | 649,012 | 32,451 | 227,154 | 908,617 |
| Southwest | 382,456 | 19,123 | 133,860 | 535,439 |
| Upper Peninsula Talent Council | 685,047 | 34,252 | 239,766 | 959,065 |
| Southeast | 331,899 | 16,595 | 116,165 | 464,659 |
| West Central | 92,857 | 4,643 | 32,500 | 130,000 |
| State Total | 7,500,000 | 375,000 | 2,625,000 | 10,500,000 |

**Administrative funds are for set aside funds only and are limited to 5% of programmatic expenditures.*

***Funding awarded is Appropriation Year 2016 funding (for expenditure October 1, 2017 through September 30, 2018.)*