West Michigan Works! (WMW) Workforce Development Board Meeting (WDB)
Monday, February 13, 2017
Westside Service Center
215 Straight Ave. NW • Grand Rapids, MI 49504
Lunch 11:30 AM • Meeting 12:00 Noon

AGENDA

1. Call to Order, Chairperson Dave Smith

2. Public Comment – Agenda Items

3. Approval of the December 7, 2016 Minutes Action Required

4. WMW Service Delivery Models Action Required
   Brittany Lenertz, WMW Regional Service Center Director

5. Approval of Policy: WMW 16-XXX Priority for Service Policy Action Required
   Brittany Lenertz

6. Offender Success Program Action Required
   Angie Barksdale, WMW Chief Operating Officer

7. WMW WDB Membership Roster Updates Information Item
   Dave Smith, WMW WDB Chairperson

8. Nomination of WMW WDB Member (Executive Committee only) Action Required
   Dave Smith

9. WMW WDB Subcommittee Formations and Chairpersons Information Item
   Dave Smith

10. General Updates Information Item

11. Other Business

12. Public Comment

13. Adjournment

Next Scheduled Workforce Development Board Meeting:
April 10, 2017

West Michigan Works! is a division of ACSET, an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. TTY# - 711. Supported by the State of Michigan.
MINUTES

GB Members Present: Commissioners Allen, Baumann, Calley, De Young, Lenear, Mast, Retzlaff, Stolsonburg

GB Members Absent: Commissioners Bergman, Chivis, Mahoney, Saalfeld, Sabo, Thiele

WDB Members Present: Travis Alden, Nora Balgoyen-Williams, Mark Bergsma, Randy Boss, Norm Brady, Kenyatta Brame, Cindy Brown, Cathy Cronick, Jay Dunwell, Bob Ferrentino, Jim Fisher, Ed Garner, Heather Gluszewski, Rebecca Herrington, Jon Hofman, Angela Huesman, Win Irwin, Bill Pink, Valorie Putnam, Dan Rinsema-Sybenga, Michelle Seigo, Samantha Semrau, Dave Smith, Dan TenHoopen, Therese Thill, Mark Thomas, Shana Welch, Sherry White

WDB Members Absent: Ryan Bennett, Paul Billings, John Buchan, Roberto Jara, Mark Mangione, Scott McLean, Bob Thompson

ACSET/WMW! Staff Present: Angie Barksdale, Susan Cervantes, Maureen Downer, Christina Dunlop, Mary Durham, Sue Fleming, Sherrie Gillespie, Brenda Isenhart, Erin Kenny, Jane Kreha, Laura Krist, Amy Lebednick, Brittany Lenertz, Deb Lyzenga, Jacob Maas, Janette Monroe, Jennifer Philipps, Melanie White, Nancy Wiest

Guests Present: Bruce Adair (Lakeshore Advantage), Wayman Britt (Kent County Assistant Administrator), Mark Bulthuis (Parkway Electric), Tony Calcagno (Goodwill Industries), Tracie Coffman (ENTF), Daryl Delabbio (Kent County Administrator), Mark Eisenbarth (Muskegon County Administrator), Thomas Freeland (Meijer), Luana Georgescu (Hearthside Foods), Jim Haton (MMI), Mary Beth Lambregtse (Hearthside Foods), Meg Lehigh (Meijer), Esli Monterruso (Parkway Electric), Larry Tiejema (Ionia County Commissioner), Michelle Van Dyke (ENTF), Matthew Van Zetten (Kent County Management Analyst)

1. Call to Order, ACSET Governing Board Chair, Commissioner Craig Stolsonburg at 12:30 p.m.

2. Public Comment – Agenda Items- None

3. Recognitions
   a. Community Action Agency (CAA), Kent County, Partner of the Year — Information Item
      Susan Cervantes, ACSET CAA Associate Director, presented Tracie Coffman, Essential Needs Task Force (ENTF) Director, with the Community Action Agency Partner of the Year Award. The ENTF has helped ACSET CAA better serve the residents of Kent County through strong community partnerships and program alignment.

   b. WMW Employer Partner of the Year — Information Item
      Angie Barksdale, WMW Chief Operating Officer, presented Meijer Corporation, with the WMW Partner of the Year Award. Meijer has been a strong partner in regional workforce efforts on statewide recruitment and participation. Meijer has also been a leading event sponsor of MiCareerQuest. WMW is recognizing Meijer’s leadership in our region. Thomas Freeland and Meg Lehigh accepted this award.
c. Impact Awards Winners

Angie Barksdale reviewed that each year, the Michigan Works! Association presents Impact Awards which honor businesses that have actively created jobs and developed talent in their communities. Angie presented the Impact Awards to two businesses: (1) Parkway Electric & Communications, LLC, and employee Eslí Monterusso; and (2) Hearthside Food Solutions, LLC, and employee Luana Georgescu. In the past 15 months, Parkway Electric has hired 37 new employees, five of which were hired using On-the-Job Training (OJT) funds through WMW. With assistance from OT funds and the Trade Adjustment Assistance (TAA) program, employee Monterusso secured employment with Parkway Electric. Mark Bolthuis, Parkway Electric Human Resources and Safety Management, provided thanks to WMW and Grand Rapids Community College. Bolthuis also acknowledged Kevin Lutz, WMW Business Solutions Representative, for his support and expert knowledge in training options.

The second recipient receiving the award, Hearthside Food Solutions, began partnering with WMW several years ago through various programs, such as OJT funds, Incumbent Worker Training, and Skilled Trades Training Funds (STTF). With assistance from OJT funds and training through the TAA program, Employee Georgescu was hired as a Project Engineer with Hearthside.

Angie noted that the award recipients will be recognized at the Impact Awards in Lansing, MI in February.

Dave Smith, WMW WDB Chairperson, recognized and thanked the ACSET Governing Board members, WMW WDB members and WMW staff in attendance at the meeting. Dave also acknowledged WMW Board member Dr. Bill Pink for his new position as the President of Grand Rapids Community College.

4. Approval of the October 10, 2016 WMW WDB Minutes

Motion- Mark Thomas
Supported- Jim Fisher
Item approved by vote- Motion carried

5. Advocate Award

Dave Smith reviewed that the Advocate Award recognizes an individual who advocates for people with life challenges that affect their ability to find and maintain employment. Dave presented the award to Sue Fleming, WMW Talent Development Instructor (Allegan County), who through her demonstrated passion in her work, has recently begun working with the Women’s Re-entry Unit Treatment Program in the Allegan County Correctional Facility. Sue accepted the award.

6. Highlights of 2016

Jacob Maas, ACSET Chief Executive Officer, provided a PowerPoint presentation “The Year in Review” for ACSET. Some of the highlights included Community Action Agency of Kent County, partnerships and a 2017 timeline. In addition to the CAA agency highlights, Jacob recognized CAA staff member, Mary Durham, for her 50 years of service working in CAA. Some of the highlights of West Michigan Works! included sector initiatives, grants and funding received, and individual county successes in our region.

7. West Michigan Works! Strategic Plan 2016 (hard copy provided at meeting)

Dave Smith, WMW WDB Chairperson, reviewed that WMW staff and board members have worked diligently during the past year with Thomas P. Miller & Associates (TPMA) on creating a strategic plan for the next four years. Dave noted most of the processes involved board members’ input and online surveys, which included Education and Training providers, Community Partners, Employers and Chambers of Commerce, Jobseekers, WMW Management and Staff. Dave reviewed the common themes, strengths,
weaknesses and results of the surveys. Dave requested board approval of the West Michigan Works! Strategic Plan. Dave stated that with the approval of the strategic plan, four additional committees will be formed. Dave requested that WDB members complete subcommittee interest forms after the meeting.

**Motion- Jim Fisher**  
**Supported- Bob Ferrentino**  
**Item approved by vote- Motion carried**

8. **2017 WMW WDB Timeline**  
Information Item  
Dave Smith reviewed the WMW WDB timeline of expectations and accomplishments WMW hopes to reach in 2017. These include establishment of committees and first committee meetings, 2018 budget and priorities, STTF funds, and implementation of WIOA and committees’ reports on strategic plan progress.

9. **Other Business – None**

10. **Public Comment – None**

11. **Adjournment by Dave Smith at 1:41 p.m.**

Recorded by: _______________________________ Received by: _______________________________
MEMORANDUM

TO: West Michigan Works! (WMW) Workforce Development Board (WDB)
FROM: Brittany Lenertz, WMW Regional Service Center Director
DATE: February 6, 2017
RE: WMW Service Delivery Models

Executive Committee Recommendation

West Michigan Works! has been delivering job seeker services across the seven-county region in a hybrid approach for over a year. When the four Michigan Works! agencies merged into West Michigan Works! (WMW), the decision was made to continue delivering services as they had been in each of the areas prior to the merger. Allegan, Kent, Muskegon, and Ottawa Counties had moved from contracting out services to a direct delivery of services. Barry, Montcalm, and Ionia Counties were still contracting with providers to deliver these services. It has become increasingly difficult to continue this hybrid approach as WMW works to establish consistent services across all locations. This difficulty is felt in three major areas, community engagement, continuous improvement and financial.

It is the recommendation of the Executive Committee that West Michigan Works! align its service delivery model across all seven counties by directly providing all Workforce Innovation and Opportunity (WIOA) Adult and Dislocated Worker, Partnership Accountability Training Hope (PATH), Wagner-Peyser, and Trade Adjustment Assistance (TAA) programs across the seven counties. Further, it is the recommendation that changes be made to WIOA Youth delivery, while continuing a hybrid approach to services.

Community Engagement

One of the priorities consistently voiced throughout the process of the merger and over the last year has been a commitment to “consistent services, but local flavor”. It is the goal of WMW that job seekers receive the same services at the same level regardless of which location they visit across the region. At the same time, WMW is committed to being relevant in each community and meeting the local needs that may be different from county to county.
Both of these become difficult to deliver when relying on contracted staff to serve the region’s job seekers.

To some extent services can be dictated through contracts and policies, but as changes occur throughout the year or the need for change becomes evident, it is cumbersome to modify contracts to force the necessary changes. Likewise, it is difficult to get a “pulse” on the community and create valuable partnerships when services are contracted through another provider who may or may not share the goals and philosophy of the WMW Workforce Development Board. Often in this process, the carefully constructed vision and mission of the board gets lost in working with contractor staff. Directly supervising staff would ensure WMW’s ability to provide consistent services and meet local need.

Continuous Improvement

Currently, every business process within WMW requires two processes: one for ACSET staff and one for contractors. This often leads to confusion, extra training, and oftentimes retraining. Administering direct services across all counties would eliminate this duplication of effort. Additionally, as WMW continues to offer better, more creative, and deeper level of services, it can be difficult to bring contractor staff along when ACSET is not directly supervising the staff. When there is a training issue or poor service provided, ACSET has no immediate recourse to correct the issue but must rely on another level of management to appropriately take care of the issue, causing greater lag times in correcting poor service.

Directly training and supervising staff would lead to better, more consistent outcomes from state monitoring and performance measures, as well. It also allows for the cross training and deployment of staff across multiple programs. This flexibility allows ACSET the ability to quickly adjust staffing levels in programs to meet demands.

Financial

There are several ways in which cost savings could be realized by providing direct services. Contracting with providers adds an additional layer of management that is unnecessary. While ACSET must provide oversight to contractors to ensure proper adherence to policies and provision of services, there is another level of management within each provider, rather than ACSET providing direct supervision to staff. Eliminating this extra layer would result in more funding for direct job seeker services.

Currently, there are duplicative positions across counties dealing with small numbers of people. Providing direct services would mean that WMW could eliminate these redundant positions, again providing more funding for direct client services. Additionally, there are three different service
providers for programs serving the adult population (PATH, Adult & DW programs) in the three counties were services are contracted, each one requiring the additional layer of management, as well as administrative costs such as human resources and financial services.

Two of the contractors for WMW are school systems, with a fringe rate approaching 70%. As funds are budgeted for these smaller counties, these staff costs are prohibitive to funding high-demand trainings and other important job seeker services.

Based on the budgets submitted by subcontractors for the counties of Allegan, Barry, Ionia, and Montcalm an estimated cost reduction of $420,000 annually could be realized across all programs (WIOA Adult, Dislocated Worker, Out of School Youth, PATH, Trade, and Employment Services) in the categories of staff salaries, fringe, and administrative overhead. Barry ISD is currently providing the facility, insurance, utilities, and IT equipment for the Barry service center. An estimate of these expenses of $32,800 was made based on the costs incurred at the Ionia Service Center and was applied against the above estimated cost reduction. Start-up costs to provide office, computer, and phone equipment in the Barry service center have not been estimated or applied to the cost reduction. Likewise, Barry ISD has been provided $15,000 in the current contract year for service center operation costs that has not been considered when calculating the above cost reduction.

Outcomes

In each category of performance for the Workforce Investment Act (WIA, now the Workforce Innovation and Improvement Act) Adult and Dislocated Worker programs, WMW has met performance in both the counties where services are delivered directly and where they are contracted out. It is difficult to compare numbers and outcomes in counties that are vastly different in their makeup and challenges, such as Barry County to Kent County. However, comparing Allegan County, where WMW delivers all services but youth directly, to Barry, Ionia, and Montcalm Counties, where these services are contracted, tells a clearer picture. According to census data, Allegan County’s population is 112,531, slightly less than that of Ionia and Montcalm combined, 64,073 and 63,105 respectively. Yet WMW in Allegan County has served considerably more enrolled job seekers than the contractors in Ionia and Montcalm, with equal performance outcomes.
### Adult WIA Performance October 1, 2015 – September 30, 2016

<table>
<thead>
<tr>
<th>County</th>
<th>Number Served</th>
<th>Number exited</th>
<th>Entered Employment</th>
<th>Retention Rate</th>
<th>Credential Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegan</td>
<td>78</td>
<td>37</td>
<td>104% of goal (89%)</td>
<td>106% of goal (93%)</td>
<td>113% of goal (82%)</td>
</tr>
<tr>
<td>Barry</td>
<td>19</td>
<td>11</td>
<td>112% of goal (89%)</td>
<td>99% of goal (93%)</td>
<td>122% of goal (82%)</td>
</tr>
<tr>
<td>Ionia</td>
<td>19</td>
<td>13</td>
<td>108% of goal (89%)</td>
<td>108% of goal (93%)</td>
<td>109% of goal (82%)</td>
</tr>
<tr>
<td>Montcalm</td>
<td>34</td>
<td>27</td>
<td>95% of goal (89%)</td>
<td>102% of goal (93%)</td>
<td>113% of goal (82%)</td>
</tr>
</tbody>
</table>

### Dislocated Worker WIA Performance October 1, 2015 – September 30, 2016

<table>
<thead>
<tr>
<th>County</th>
<th>Number Served</th>
<th>Number exited</th>
<th>Entered Employment</th>
<th>Retention Rate</th>
<th>Credential Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegan</td>
<td>35</td>
<td>16</td>
<td>99% of goal (94%)</td>
<td>107% of goal (93%)</td>
<td>99% of goal (83%)</td>
</tr>
<tr>
<td>Barry</td>
<td>14</td>
<td>6</td>
<td>93% of goal (94%)</td>
<td>108% of goal (93%)</td>
<td>100% of goal (83%)</td>
</tr>
<tr>
<td>Ionia</td>
<td>8</td>
<td>9</td>
<td>106% of goal (94%)</td>
<td>108% of goal (93%)</td>
<td>120% of goal (83%)</td>
</tr>
<tr>
<td>Montcalm</td>
<td>11</td>
<td>9</td>
<td>98% of goal (94%)</td>
<td>95% of goal (93%)</td>
<td>60% of goal (83%)</td>
</tr>
</tbody>
</table>
Performance for Partnership. Accountability. Training. Hope. (PATH) tells a similar story. While WMW is meeting performance across the board, a comparison of performance in Allegan County is a more accurate one.

**PATH Performance October 1, 2015 – September 30, 2016**

<table>
<thead>
<tr>
<th>County</th>
<th>Number Served</th>
<th>Entered Employment</th>
<th>Employment Rate</th>
<th>Work Participation Rate (50% Goal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegan</td>
<td>151</td>
<td>92</td>
<td>61%</td>
<td>78%</td>
</tr>
<tr>
<td>Barry</td>
<td>34</td>
<td>20</td>
<td>59%</td>
<td>68%</td>
</tr>
<tr>
<td>Ionia</td>
<td>36</td>
<td>28</td>
<td>78%</td>
<td>80%</td>
</tr>
<tr>
<td>Montcalm</td>
<td>58</td>
<td>37</td>
<td>64%</td>
<td>61%</td>
</tr>
</tbody>
</table>

Because of the dramatic change in youth services from WIA to WIOA, historical data for the type of OSY programs that need to be operated does not exist. However, WMW intends to operate OSY with the same level of excellence as the other programs it operates.

WMW can operate these services directly as effectively as contracting the services in a more cost efficient manner, saving more money to be applied to services that directly benefit the local communities’ job seekers.

**Recommendation**

Because ACSET operates multiple funding streams across seven counties, not every community or program is the same.

Cost savings and the quality of program delivery could be improved by a direct delivery of services across all of WMW’s adult programs, including Workforce Innovation and Opportunity Act (WIOA) Adult and Dislocated Worker Services, all Trade Adjustment Act programs, Wagner-Peyser services, and Partnership. Accountability. Training. And Hope. (PATH) services. These programs are based in the One-Stop Service Centers and would benefit from a more unified approach to the delivery of services.

Youth programming, however, may benefit from a more hybrid approach, depending on each community.
Allegan, Barry, Montcalm, Ionia Out-of-School Youth

With the change in WIOA youth services, focusing more resources on Out-of-School Youth (OSY) and an older age limit, OSY services more closely resemble Adult programming than the previous youth services. In these counties with a smaller population and fewer population centers, the OSY program would benefit from a centralized, direct delivery of service in the same way the Adult programs would. Therefore, WMW is recommending direct delivery of service for Allegan, Barry, Montcalm, and Ionia Out-of-School Youth services.

Kent County Out-of-School Youth

Kent County, on the other hand, with its greater population and pockets of need in specific neighborhoods would continue to benefit from providers located within those neighborhoods to reach the OSY where they are. Many of these providers already have strong connections to the Youth through the other services they provide. Continuing to contract these services out to select, high quality providers would best serve the OSY at this time.

Allegan, Barry, Ionia, Kent, Montcalm, Ottawa In-School Youth

Because of the change in focus of WIOA to OSY, there is considerably less funding available to support In-School Youth (ISY) programming. It would be difficult for WMW or any single provider to create a high-impact ISY program on WIOA ISY funds alone. In order to maximize these funds and provide the best services to ISY across these counties, it is recommended that one service provider be selected in each county to provide ISY services, with the exception of Muskegon County.

This service provider should be an entity that is already serving this population with other funding and could leverage the ISY WIOA funds to have a greater impact on dropout prevention and career education. If an appropriate provider does not bid on these services in a specific county, WMW recommends that all resources be put toward OSY services in that county.

This course is not recommended for Muskegon County, where all ISY services are supported through a blended funding stream to provide Jobs for Michigan’s Graduates in high schools.
MEMORANDUM

TO: West Michigan Works! (WMW) Workforce Development Board (WDB)

FROM: WMW Staff

DATE: February 6, 2017

RE: Approval of Policy: WMW 16-XXX Priority for Services

As West Michigan Works! aligns services across the region, policies are necessary for program oversight.

WMW 16-XXX Priority for Services under Workforce Innovation & Opportunity Act (WIOA) Adult Program Experiment

This policy defines levels of priority for job seekers and the order in which priority will be applied when seeking individualized career and training services under WIOA Adult Funds.
Title: WMW 16-XXX Draft Priority for Service

Effective Date: February XX, 2017

Applicability: Workforce Innovation and Opportunity Act (WIOA) Programs

Scope: The Workforce Innovation and Opportunity Act of 2014 (WIOA) Sec. 133(c)(3)(E) requires priority be given to “public benefits recipients, other low-income individuals, and individuals who are basic skills deficient” when providing individualized career and training services using WIOA Title I Adult funds. In addition, priority of service for veterans and eligible spouses is to be implemented for all “qualified job training programs”, defined as “any workforce preparation, development or delivery program or service that is directly funded, in whole or in part, by the Department of Labor.”

Supersedes: N/A


Policy: Priority of service will be applied for all public benefits recipients, other low-income individuals, individuals who are basic skills deficient, and covered persons under veteran’s priority of service.

This policy is intended to define:

- Levels of priority for job seekers
- The order in which priority will be applied to individuals

**Priority for Service under WIOA Title I Adult funds:**

Priority for individualized career and training services under WIOA Title I Adult funds must be applied to adult recipients of public assistance, other low income individuals, and individuals who are basic skills deficient.

Individuals who are interested in receiving individualized career services and training services under the local priority of service system must first meet the priority requirements outlined by the Workforce.
Innovation and Opportunity Act of 2014 as well as the local self-sufficiency guidelines outlined in the West Michigan Works! (WMW) Adult and Dislocated Worker Eligibility policy.

Individuals who are not in a priority of service category but are actively enrolled in a career or training service will be allowed to complete the activity. It is not expected that non-priority service participants must give up their place to an individual who is in a priority of service category and may be just starting a career and/or training service.

**Basic Skills Deficient**: WMW has defined basic skills deficient as a youth that has English reading, writing, or computing skills at or below the 8th grade (8.9 or lower) level on a generally accepted standardized test; or who is a youth or adult, that is unable to compute or solve problems, or read, write, or speak English, at a level necessary to function on the job, in the individual’s family, or in society. Basic skills deficiency will be determined using an objective, valid and reliable assessment, such as the Test for Adult Basic Education (TABE). Refer to TEGL 18-11, Youth Literacy and Numeracy Gains, for further information on testing.

If the priority of service determination is based on the basic skills deficient criteria, the job seeker file must contain academic tests (including the job seeker's name, date of test, and results).

**Low-Income Individual**: An individual who meets any one of the following criteria satisfies the low-income standard for priority for WIOA adult individualized career and training services:

The term “low-income individual” means an individual who—
(i) receives, or in the past 6 months has received, or is a member of a family that is receiving or in the past 6 months has received, assistance through the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the program of block grants to States for temporary assistance for needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), or the supplemental security income program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or State or local income-based public assistance;
(ii) is in a family with total family income that does not exceed the higher of—
(I) the poverty line; or
(II) 70 percent of the lower living standard income level;
(iii) is a homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), or a homeless child or youth (as defined under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)));
(iv) receives or is eligible to receive a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);
(v) is a foster child on behalf of whom State or local government payments are made; or
(vi) is an individual with a disability whose own income meets the income requirement of clause (ii), but who is a member of a family whose income does not meet this requirement. (Section 3(36) of WIOA)

Military Pay and Benefits:

All pay and/or financial allowances earned while a veteran was on active duty must be disregarded when determining whether the veteran is a “low income individual” for the purpose of applying the rule of priority for low-income persons under Title I of WIOA in this policy. Title 38 U.S.C. 4213 also exempts...
from inclusion in “low-income” calculations any financial benefits received by a covered person under the following Chapters of Title 38 of the U. S. Code:

- 11. Compensation for service-connected disability or death;
- 13. Dependency and indemnity compensation for service-connected deaths;
- 30. All-volunteer force educational assistance program;
- 31. Training and rehabilitation for veterans with service-connected disabilities;
- 35. Survivors’ and dependents’ educational assistance; and
- 36. Administration of educational benefits.

Also excluded from “low income calculations” are benefits received under Chapter 106 of Title 10 of the U. S. Code, Educational assistance for members of the selected reserve.

However, pension payments authorized by Title 10 of the U. S. Code, such as those received by military retirees, whether or not their retirement was based on disability, and pension benefits paid under Chapter 15 of Title 38 of the U. S. Code, are not exempt from being included in the calculation of low income.

Also, veterans and eligible spouses are not required to coordinate their entitlement to VA benefits for education and training benefits with any concurrent eligibility they may have for WIOA funded training. West Michigan Works will not require veterans or eligible spouses to exhaust their entitlement to VA funded training benefits prior to allowing them to enroll in WIOA funded training.

Veterans Priority:

The regulations specify that the definition for veteran specified at 38 U.S.C. 101(2) applies across all qualified job training programs for the purpose of priority of service. That definition includes two key criteria:

1. Service in the active army, marines, naval, including coast guard, or air service; and,
2. Discharge under conditions other than dishonorable.

Under this definition, the term “veteran” means a person who served at least one day in active military, naval or air service, and who was discharged or released under conditions other than dishonorable, as specified in 38 U.S.C. 101(2). Active service includes full-time Federal service in the National Guard or a Reserve component. This definition of “active service” does not include full-time duty performed strictly for training purposes, nor does it include full-time active duty performed by National Guard personnel who are mobilized by State rather than Federal authorities (i.e. in response to natural disasters).

Priority of service means the right of eligible covered persons to take precedence over eligible non-covered persons in obtaining employment, training and placement services.

- The covered person receives access to the service or resource earlier in time than the non-covered person; or
- If the service or resource is limited, the covered person receives access to the service or resource instead of or before the non-covered person.
- The regulations specify how priority of service is to be applied across three different types of qualified job training programs:
  - Universal access programs that do not target specific groups;
  - Discretionary targeting programs that focus on certain groups but are not mandated to serve target group members before other eligible individuals; and,
Covered Person: The term “covered person” means a veteran, as described above, and an eligible spouse, as defined below.

Eligible Spouses: The regulation specifies spouses of any of the following veterans:

1. Any veteran who died of a service-connected disability;
2. Any member of the Armed Forces serving on active duty who, at the time of application for the priority, is listed in one or more of the following categories and has been so listed for a total of more than 90 days:
   a. Missing in action
   b. Captured in line of duty by a hostile force; or
   c. Forcibly detained or interned in line of duty by a foreign government or power;
3. Any veteran who has a total disability resulting from a service-connected disability, as evaluated by the Department of Veterans Affairs; or
4. Any veteran who died while a disability was in existence. A spouse whose eligibility is derived from a living veteran or service member (i.e., categories 2 and 3 above) would lose his or her eligibility if the veteran or service member were to lose the status that is the basis for the eligibility (e.g. if a veteran with a total service-connected disability were to receive a revised disability rating at a lower level). Similarly, for a spouse whose eligibility is derived from a living veteran or service member, that eligibility would be lost upon divorce from the veteran or service member.

Consistent with TEGL 26-13, the definition of “eligible spouse” includes same-sex spouses. Eligibility for WIOA Title I services incorporates the definition of family where low-income priority of service is a consideration. Consistent with ETA’s policy, same sex spouses are included within the definition of family. Interpreting “husband” and “wife” as gender neutral in the definition of “family” could impact an individual’s family income calculation.

Implementing Priority of Service:

West Michigan Works! will conduct outreach to priority populations to ensure that covered persons, low income and basic skill deficient individuals receive the employment and training services they need.

Outreach will include but is not limited to; informing areas of the community that are likely to have priority populations of the services available; collaborating with social service agencies and other community partners that serve a similar population, creating opportunities to present information on-site at neighborhood events and when permitted, scheduling individual appointments concurrently with WIOA required partners to reduce transportation needs and associated barriers.

The individual seeking career or training services under priority of service must be identified and categorized prior to enrollment. Priority of service is initiated on the local level and must follow the standard procedure outlined below:

Priority for individualized career and training services under WIOA will be applied in the following order:

1. Covered Individuals (Veterans and eligible spouses) who are low-income recipients of public assistance or are basic skills deficient.
2. Individuals (non-covered) who are low-income, recipients of public assistance, basic skills deficient
3. Covered Individuals (Veterans and eligible spouses) who are NOT low-income and are NOT recipients of public assistance or basic skills deficient.
4. All other eligible individuals.
MEMORANDUM

TO: West Michigan Works! (WMW) Workforce Development Board (WDB)
FROM: Angie Barksdale, WMW Chief Operating Officer
DATE: February 6, 2017
RE: Offender Success (previously known as Prisoner Re-entry)

Since the merger of Michigan Works! organizations, ACSET has administered two (2) Offender Success (OS) programs, Kent/Allegan OS and West Shoreline (Oceana, Muskegon & Ottawa County) OS. Both of these programs are operating on extensions of original contracts that were established with Michigan Department of Corrections (MDOC) approximately 10 years ago. There have been attempts to re-bid and conversations about re-bidding by MDOC, but new contracts or administrative entities have not been established. Thus, multiple renewals and extensions of contracts have been received. Some contract extensions have been 6 months in length, some a full program year in length, but never with any length of certainty. Due to the uncertainty in the direction MDOC was taking with the program, ACSET has continued to administer things as best as possible locally, making few changes to client services.

In May of 2016 MDOC released an RFP for this program to begin services October 1, 2016. At the time ACSET chose not to submit a bid in response to this RFP. There were a couple items that were concerning; pay for performance, required vendor handbook, administering the program in all 13 counties of region 4 and on-going issues with how MDOC administers the program currently. ACSET did decide to stay engaged with the program by collaborating with West Central Michigan Works! in their bid. In August of 2016 MDOC decided not to issue awards based on this RFP and offered existing administrators yet another extension of their contracts. ACSET accepted the extension for another program year, until September 30, 2017.

On December 19, 2016 ACSET received a Corrective Action Notice from MDOC. Before the response was submitted it was reviewed with the Workforce Development Board Executive Committee on January 9, 2017. See attached. At that meeting discussion regarding the ongoing uncertainty and concerns of administering this program was had. The WDB Executive committee requested

...
that ACSET Administration compile what we consider non-negotiable items that would impact our decision on whether to continue administering the OS program locally.

During the week of January 9, 2017, award letters went out to agencies that bid on the May 2016 RFP. The letters state that contracts will begin April 1, 2017. No guidance has been given as to award amounts, how transition from the current administrator will occur or what that means to our current extension that goes until September 30, 2017. ACSET has not received any formal communication directly from MDOC regarding our current contract.

In response to WDB Executive Committee’s request to compile non-negotiable items and the ongoing uncertainty of the program, ACSET administration recommends the following:

- Operating under a pay for performance contract is too great a risk for ACSET. Penalty for not meeting performance can range up to 40% of the billable administrative costs. The penalty must be paid to MDOC with non-federal or state dollars. The current performance measures being presented by MDOC have no consistent baseline, include measures that ACSET has no control over and are tracked on an excel spreadsheet that is fraught with errors.

- ACSET must receive payment for allowable expenditures in a timely manner. MDOC has consistently withheld large payments over small discrepancies in back up data. These discrepancies have involved a very small percentages of the overall invoice amount (i.e. less than $1,000 of a $60,000 invoice, reference Corrective Action Notice attached). ACSET has always been able to rectify these discrepancies but the delay of payment by MDOC causes delays in ACSET’s ability to pay local vendors.

- ACSET needs a clearly documented complaint and grievance policy with MDOC regarding local vendor issues. Some of ACSET vendors have contacted MDOC directly, bypassing ACSET with issues, questions or concerns regarding their contract with ACSET. This makes it increasingly difficult to manage these vendor contracts and relationships.

- ACSET cannot move forward with enforcing the required vendor handbook presented in MDOC’s May 2016 RFP. The handbook presented includes requirements that ACSET legal counsel feels could subject ACSET to potential constitutional challenges and lawsuits. These
requirements include items that MDOC includes in their employee handbook. MDOC is requesting that ACSET enforce these rules on the employees of vendors.

ACSET has reviewed the fiscal implications if we choose to no longer administer the Offender Success program or collaborate with West Central Michigan Works! in delivering the program locally and feel the reduction in administrative and program funding could be offset by implementing certain cost savings and redirecting staff to other programs. We are awaiting further clarity on the direction MDOC is planning regarding the status of ACSET’s current contract.

Furthermore, the Michigan Works! Association (MWA) requested that letters be sent to the Governor’s office regarding the administration of the OS program. The letters urge the Governor to fulfill strategies outlined in Executive Order 2014-12, which created the Talent Investment Agency (TIA). The first letter was sent on behalf of the WMW WDB and the second letter from Talent 2025.

We are requesting the WMW WDB to endorse and support the non-negotiables outlined above and the transition of the OS program from MDOC to the Talent Investment Agency (TIA).
CORRECTIVE ACTION PLAN
Area Community Services Employment and Training Council

Date: December 19, 2016

Contract #: 472B0200050

The objectives from the contract are described below, followed by the performance Finding. Please complete a Corrective Action Plan to resolve each Finding identified from the year-end data and expense reconciliation. Include a detailed response to each Finding with a strategy to implement the necessary modifications to expense monitoring or other factors to reduce or eliminate the Finding.

Upon completion, please email this document to Contract Monitor Milton Shoup at ShoupJ@michigan.gov no later than 10 business days from the date of this letter.

**Contract Statement of Work Requirements – Findings:**

1. **Standard 2.17 (states in part):**

   The CONTRACTOR shall submit to the STATE a signed, executed copy of each approved subcontract or agreement that derives its funding from Prisoner Reentry funding within 14 calendar days of service commencement.

   **FINDING #1:**

   Prisoner Reentry services for Fiscal Year 2017 commenced October 1, 2016. As of early December 2016 contracts and contract extensions had not been received for review. Subcontract extension submittals are untimely and not in compliance with Contract Standard 2.17.

   **REQUESTED ACTION:**

   Provide a corrective action plan that ensures all Prisoner Reentry subcontracts and subcontract extensions are prepared for execution by October 1 each year and submitted to the MDOC for review within 14 calendar days of service commencement.

   **CORRECTIVE ACTION PLAN:**

   Standard 2.17 of the contract with MDOC states that the contractor shall submit each approved subcontract or agreement that derives from Prisoner Reentry funding within 14 days of service commencement. There were many contributing factors as to why this requirement was not met. Meeting standard 2.17 is only feasible when notification of the award and approved funding level is received in ample time to procure needed services, draft
contracts, make modifications or re-state contracts, negotiate with contractors and fully execute contracts. ACSET was not given ample time to complete these tasks.

ACSET agreed to extend the Prisoner Reentry contract (now known as Offender Success) on August 12, 2016. At that time ACSET began discussions and negotiations regarding the transferring of Oceana County from ACSET to West Central Michigan Works, and transferring Barry County to ACSET from that of MDOC. ACSET did not receive approved FY 2017 finalized funding levels until October 5, 2017. At that time ACSET created the local budget and submitted to the MDOC Community Liaison for review on October 12, 2017. ACSET did however communicate with all contractors the intention to extend contracts for another program year and what their FY 17 budget amounts would likely be. ACSET also discussed that work had begun on preparing the formal FY 2017 contracts & budgets. Service to clients was not disrupted and reimbursements to contractors has continued in good faith and in a timely manner in order to ensure that service continues.

Once ACSET received an approved budget RFPs were released for the following:

- Housing, Employment Readiness & Social Support Resource Specialist for Barry County
- Behavioral Health Services for Allegan, Barry & Kent County

Both RFPs were posted on October 18, 2017 and awards were granted in November. Contracts are currently in the process of being finalized.

ACSET is continuing efforts to align internal administrative operations to streamline and organize the management of these contracts. This included transitioning several of the existing landlords from a simple MOU, to utilizing a version of the MDOC provided lease template. This is needed to provide all landlords with the same lease, but also to legally protect MDOC, ACSET, the landlord and the parolee. ACSET has also chosen to issue all extended contractors re-stated contracts, instead of simple modifications of extension. This is needed because ACSET is currently operating some contracts on modification number 13 or higher due to the multiple extensions of our MDOC contract and the numerous budget adjustments over the years. ACSET believes it is in MDOC's, ACSET's and the contractors’ best interest to re-issue the contracts. All of these things lengthened the time needed to execute contracts.

ACSET strives to meet or exceed all the requirements of the granting sources. The fact that ACSET did not receive final funding levels and an approved budget until mid-October, that ACSET had to execute 2 RFPs, that ACSET is still working to align and streamline the administration of these programs as a result of the merger and that ACSET currently has 37 Offender Success vendors/contractors/leases to execute for FY 2017 has resulted in the inability to meet the 14 days from October 1, 2017 requirement. ACSET will continue to work as efficiently as possible to provide MDOC with all fully executed contracts. Many are in the final stages of signature and should be sent shortly. ACSET will also continue to communicate with the Community Liaison and Contract Monitor to ensure all parties are all up to date on the status of the contracts and are able to address any issues in a timely manner.
2. **Contract Standard 2.19, Sub Section E:**

*A process that minimizes the time between receipt of revenue from the STATE and disbursement of payments to service providers in order to maintain services without interruption.*

**FINDING #3:**
Kent Prisoner Reentry Region: MDOC Prisoner Reentry staff were notified on 11/28/2016 of ACSET’s failure to reimburse Exodus Place timely for September expenses. This lack of reimbursement led to Exodus Place offering a deadline of 12/1/2016 for either a reimbursement or an immediate closure of housing services, which would be detrimental to Prisoner Reentry services within the ACSET service area.

**REQUESTED ACTION:**
Provide a corrective action plan that ensures all Prisoner Reentry program will be reimbursed timely to avoid service interruption per the contract requirements.

**CORRECTIVE ACTION PLAN:**
According to Contract Standard 2.19, Subsection E, ACSET utililizes a process that minimizes the time between receipt of revenue from the State and disbursement of payments to service providers in order to maintain services without interruption. Under this process, ACSET pays all of its Prisoner Reentry contractors and vendors typically with the very next check run after reimbursement is received from MDOC. ACSET’s final September 2016 payment was received on Thursday, 12/1/2016. In anticipation of this payment, ACSET processed the Exodus payment on Wednesday, 11/30/2016. The finding referred to above was paid one day BEFORE payment was received from MDOC. ACSET considers this to meet Contract Standard 2.19. The advance ACSET receives from MDOC at the beginning of the year is insufficient to cover all ACSET’s payroll, overhead costs, and vendors prior to receiving the prior month's reimbursement and is nearly extinguished by the end of the program year.

MDOC reimbursements for the months of October through August are typically received 5 to 7 business days after the 20th of the month and ACSET makes vendor payments 0 to 4 business days after reimbursement is received. However, MDOC has historically taken longer to reimburse the September payment because of year end checks and balances. During this time period of waiting for the MDOC reimbursement, ACSET was in contact with Exodus explaining the situation and that reimbursements was delayed because reimbursement had not yet been received.

ACSET requests a faster turn around on the final September reimbursement from MDOC, a partial payment of all approved expenses, or a delay in the recouping of the advance to allow ACSET enough cash on hand to pay vendors prior to receiving the prior month’s reimbursement. MDOC had questioned expenses totaling no more than $1,000 on the September report. However the entire reimbursement of
nearly $60,000 (net of the advance received) was delayed by MDOC. The months of August and September are used by MDOC to recoup the advance provided at the beginning of the year. During the last two months of the program year ACSET only receives half of the reimbursement requested, leaving no advance to cover September expenses above the advance received.

**Contract Standard 2.31:**

*The CONTRACTOR is responsible for submitting complete and accurate data as required by the STATE with data collection reports due to the STATE by the 20th calendar day of each month.*

**FINDING #2:**
Muskegon Prisoner Reentry Region: The data and expense reconciliation process at the closure of FY16 revealed that inventories of Housing Supplies and Social Support assistance was monitored using a separate log and had not been reported on the data collection reports through the course of the fiscal year. During the same period, Housing Supplies and Social Support assistance items were expensed to the Michigan Department of Corrections during the period of purchase. As a result of the data collection sheets not being maintained in compliance with the MDOC Data Collection Instruction manual, considerable State staff time was required to establish the cause of the significant difference between the expenses recorded and the service level data provided to the State. Additionally, a conference call was necessary between MDOC/State staff and Contractor staff to confirm the cause of the data discrepancy and gain a resubmission of both missing data and unused inventory by which to reconcile the expense reporting and data submissions in order to reach the year-end reconciliation.

**REQUESTED ACTION:**
Provide a corrective action plan that ensures all Prisoner Reentry program assistance provided during a specific billing period is expensed and accurate data collection for the same billing period is submitted timely and accurately. The corrective action plan for expenses reported and data collection must comport with the FY17 Data Collection Instructions. The corrective action plan should include a system for monitoring supply inventory for the year-end reconciliation.

**CORRECTIVE ACTION PLAN:**
Program year 2016 was the first year that ACSET operated West Shoreline for MDOC. West Shoreline's program and processes were reviewed mid-program year by MDOC staff without any indication that the method being used was unacceptable. ACSET has since put into place new processes in order to ensure that the FY17 Data Collection Spreadsheet is timely, complete, and properly submitted to MDOC. These processes are the same process that Kent/Allegan uses to accurately prepare the Data Collection Spreadsheet.
January 19, 2017

The Honorable Rick Snyder  
Governor  
State of Michigan  
George W. Romney Building  
111 S. Capitol Avenue  
Lansing MI 48909

Dear Governor Snyder:

As state talent leaders, we have been pleased to work with you to boost job creation and talent development in Michigan and appreciated your important words on the issue in your State of the State address. During your time as Governor, we have been particularly pleased to help lead collaborative efforts to streamline the state’s talent infrastructure through the Regional Prosperity Initiative and Executive Order 2014–12, which created the Talent Investment Agency (TIA).

In EO 2014–12, you wrote, “strategies for spurring economic development and securing meaningful and rewarding employment for Michigan residents are interdependent.” And in outlining the responsibilities of the new department you directed it to:

“Review, investigate, evaluate, and assess all programs within the executive branch of government related to talent services and programs, including, but not limited to, services and programs involving job preparedness, career-based education, skilled trades training, incumbent worker training, employment assistance, STEM training programs, and programs targeted at the structurally unemployed.”

We could not agree more, which is why we write to urge you to take the next step and **bring the Prisoner Re-Entry program under the auspices of TIA**.

Michigan’s transition to regionally-based economic action further argues for local leadership and streamlined service delivery. The Michigan Prisoner Re-Entry Initiative is now an established program and no longer a pilot, and thus must be administered using proven state and federal practices, and in concert with other locally-administered programs and services. As a community of talent development leaders, we have articulated this point to both you and your predecessor, and we were encouraged that in EO 2014-12 you included the Prisoner Re-Entry Program in the list of state efforts to be coordinated by the new talent agency.
Unfortunately, the state’s Prisoner Re-Entry program continues to be managed and coordinated in isolation from other existing programs. Bringing it into TIA would help ensure: (i) greater efficiency through braided funding approaches, (ii) more robust, customer-focused administration of needed services, and (iii) streamlined reporting and greatly improved results.

Strong, community-based Prisoner Re-Entry programs are essential for the people of Michigan. Reducing recidivism and creating opportunity for ex-offenders to become successful members of society benefits everyone. Our returning citizens are an important source of talent, and with Michigan’s improved economy, employers are looking at new and better ways to utilize this labor force. We look forward to administrative changes that will allow for better service to this unique population of Michiganders.

Sincerely,

[Signature]

David J. Smith
Chairperson, West Michigan Works!
January 23, 2017

The Honorable Rick Snyder  
Governor  
State of Michigan  
George W. Romney Building  
111 S. Capitol Avenue  
Lansing MI 48909

Dear Governor Snyder:

Nearly three years ago, you signed Executive Order 2014–12, which created the Talent Investment Agency (TIA). In this order, you cited the “continued need to reorganize functions among state departments to ensure efficient administration.”

We agree with the need for streamlined, efficient government service delivery. That is why we support further service consolidation and ask you to take the next step and bring the Offender Success program under the auspices of TIA.

The Offender Success (formerly, Michigan Prisoner Re-Entry Initiative), now an established program, is best administered using proven state and federal practices. Unfortunately, the state’s Offender Success program continues to be managed and coordinated in isolation from other existing programs. This creates both funding inefficiencies and limits outcomes for participating workers, job providers, and community organizations.

That is why we believe the time is right for moving the Offender Success Program to TIA. Not only will it improve program performance, it will also help move our state forward in terms of the development of qualified talent.

Strong, community-based Offender Success programs are essential for the people of Michigan. We are eager to work with you to help streamline service delivery

Sincerely,

Kevin Stotts  
President
MEMORANDUM

TO: West Michigan Works! (WMW) Workforce Development Board (WDB)

FROM: Dave Smith, WMW WDB Chairperson

DATE: February 6, 2017

RE: WMW WDB Membership Roster

WMW has been informed of the following members’ resignations to the WDB.

1. Ryan Bennett, (Organized Labor/Employee Rep) representing West Michigan Plumbers, Fitters and Service Trades Local Union #174, no longer represents the original group of selection.

2. Mark Mangione, (Labor) both representing West Michigan Plumbers, Fitters and Service Trades Local Union #174, no longer represents the original group of selection.

3. Paul Billings (Community-Based), West Michigan Community Help Network, has notified WMW of his resignation. A nomination has been recommended and approval will be requested.

4. Win Irwin (Business), Irwin Seating, has notified WMW of his resignation. Mr. Irwin has provided a written notice regarding his resignation from the WDB. We thank Win for his numerous years serving our communities and wish him the best on his future endeavors.

WMW is currently seeking to fill the two (2) Labor seats and one (1) Business seat by the beginning of March 2017, for nomination recommendation from the Executive Committee and approval from the ACSET Governing Board on March 27, 2017.
MEMORANDUM

TO: West Michigan Works! (WMW)
Workforce Development Board (WDB) Executive Committee

FROM: Dave Smith, WMW WDB Chairperson

DATE: February 6, 2017

RE: Nomination of WMW WDB Member, Kiesha Guy

WMW has been informed that our current Community-Based WDB member Paul Billings, is no longer able to continue serving on our board. WMW has received an application from Kiesha Guy, Executive Director from Muskegon-Oceana Community Action Partnership (MOCAP) in Muskegon County.

We are seeking approval from the Executive Committee to support nomination of Keisha Guy, Executive Director for MOCAP (representing Muskegon County) to the ACSET Governing Board on February 20, 2017 for appointment to serve on the WMW WDB as a Community-Based member.
Workforce Development Board Subcommittees

Outreach and Communications
Key core competencies covered: gathering and disseminating information to the community, outreach and communication.
The outreach and communications subcommittee will play a key role in the West Michigan Works! branding strategy and increasing awareness of services and initiatives of the system. It should be closely tied to the other committees as it will be involved in communicating all of the initiatives that West Michigan Works! undertakes through the strategic plan and otherwise.

Employer Solutions
Key core competencies covered: gathering and disseminating information among employers, assessment, placement and retention.
The employer solutions subcommittee will work on strategies related to strengthening the Board’s relationships with local employers. This committee will focus strongly on the services that are currently available for individual employers and how West Michigan Works! can expand the reach and continue to build the quality of those services that are offered.

Talent Solutions
Key core competencies covered: gathering and disseminating information among jobseekers, career coaching, placement and retention.
The talent solutions subcommittee will focus on the services provided to individuals; monitoring the quality of those services and seeking solutions for improvement. The committee will focus on strategies to expand the talent pool in West Michigan, including targeting youth, underemployed workers, and individuals with barriers to employment.

Strategic Partnerships
Key core competencies covered: convening and connecting, gathering and disseminating information throughout partner network.
The strategic partnerships committee will focus on convening partners and employer customers to gain a better picture of the local workforce development system and workforce needs. This includes the facilitation of regional industry councils. The committee will keep track of an ecosystem map to identify any gaps in the system and seek new connections to fill them. It will also drive system-wide initiatives, like career pathways, promoting innovative solutions and diversifying revenue.
Workforce Development Board Subcommittee Members

1. **Executive Committee (11)**
   - Dave Smith (Chair)
   - Jim Fisher (Vice-Chair)
   - Mark Bergsma
   - John Buchan
   - Jay Dunwell
   - Heather Gluszewski
   - Rebecca Herrington
   - Jon Hofman
   - Scott Mc Lean
   - Shana Welch
   - Sherry White

2. **Employer Solutions (8)**
   - Sherry White (Chair)
   - Nora Balgoyen-Williams
   - Randy Boss
   - Norm Brady
   - Bob Ferrentino
   - Rebecca Herrington
   - Jon Hofman
   - Therese Thill

3. **Outreach and Communications (4)**
   - Mark Bergsma (Chair)
   - Cindy Brown
   - Roberto Jara
   - Samantha Semrau

4. **Talent Solutions (9)**
   - Shana Welch (Chair)
   - Kenyatta Brame
   - Cathy Cronick
   - Ed Garner
   - Angela Huesman
   - Bill Pink
   - Dan TenHoopen
   - Mark Thomas
   - Bob Thompson

5. **Strategic Partnerships (6)**
   - Heather Gluszewski (Chair)
   - Travis Alden
   - Jim Fisher
   - Val Putnam
   - Dan Rinsema-Sybenga
   - Michelle Seigo

**Board Member Openings (4)**