
GST-MICHIGAN WORKS! POLICY 16-02 Change 2

TO: Chief Executive of Subrecipients and Agency Staff

FROM: Jody Kerbyson, CEO

SUBJECT: Transitional Jobs Programs

EFFECTIVE: October 25, 2017

PROGRAMS AFFECTED: WIOA (Adult, Dislocated Worker) and Special Funds

RESCISSIONS: 16-02 and 16-02 c1

REFERENCES: Workforce Innovation and Opportunity Act – Public Law 113-128, WIOA Section 134 (c) (3) (h) and WIOA Section 134 (d) (1-5), 20 CFR 680.150, 20 CFR 680.190, 20 CFR 680.195, 20 CFR 680.830, 20 CFR 680.840, 20 CFR 680.850 and 20 CFR 680.900.

BACKGROUND: This policy establishes the criteria and the process by which a Transitional Jobs Program will be applied. Funding for Transitional Jobs can be administrated under the Workforce Innovation and Opportunity Act (WIOA) or special funding received through this agency. GST Michigan Works! seeks to connect individuals with barriers to employment, chronic unemployment or an inconsistent work history with opportunities to build work place skills and job history.

POLICY: This policy issuance removes all language regarding Youth from transitional jobs as they are not covered under CFR 680.195. This policy also states who is designated as the employer of record and how the participant receives payment of wages. GST Michigan providers are responsible for implementing this policy. Requirements for employers participating in the Transitional Jobs program are clearly outlined in this policy. Transitional Jobs participants may be made up of eligible WIOA Adult, Dislocated Worker or individuals eligible through special funding sources.

Transitional Jobs is paid work experience that:

- a. Is time limited and subsidized;
- b. Is in the public, private, or nonprofit sector;
- c. Is provided to individuals with barriers to employment who may be chronically unemployed or have an inconsistent work history.
- d. Is combined with comprehensive employment and supportive services; and

- e. Is designed to help participants establish a work history, demonstrate success in the workplace, and develop the skills that could lead to entry into and retention in unsubsidized employment.

Local boards may use up to 10 percent of their Adult and Dislocated Worker WIOA funds to be use for Transitional Jobs. Participation in the Transitional Jobs Program shall be based on being a member of one or more of the following populations. Individuals with One Federal Defined Barrier to Employment or chronic unemployment or inconsistent work history.

Federally Defined Barrier to Employment

- a. Displaced homemakers;
- b. Low-income individuals;
- c. American Indians, Alaska Natives, and Native Hawaiians;
- d. Individuals with disabilities, including youth with disabilities;
- e. Older Individuals (age 55 or older);
- f. Ex-Offenders/Returning Citizens;
- g. Homeless individuals;
- h. Youth who are in or have aged out of the foster care system;
- i. Individuals who are English language learners, individuals who have low levels of literacy and individuals facing substantial cultural barriers.
- j. Eligible migrant and seasonal farmworkers;
- k. Single parents (including single pregnant women);
- l. Long-term unemployed individuals (unemployed 27 or more weeks);
- m. Recipients of public assistance.

Individuals with “chronic unemployment” or an inconsistent work history are those who:

- a. Have been unemployed for 13 weeks or longer; or
- b. Were unemployed at 26 or the past 52 weeks; or
- c. Have held three or more jobs in the past 52 weeks and are currently unemployed or underemployed.

Employer Host Sites

Transitional Jobs will be developed with approved employers that can provide quality work experiences. These employers can be in public, private or nonprofit sectors. The goal is to establish a work history for the individual that demonstrates success in the workplace and allows for skill expansion.

Employer Host sites must provide on-site training and day to day supervision.

GST Michigan Works Service Providers act as the employer of record and pays the participant. Employer Host sites are responsible for submitting time cards as proof of hours worked. Transitional jobs must follow applicable laws and regulations that govern wage and hour laws, as well as minimum wage laws. The 100% percentage of hourly wage reimbursement is allowable based on the designated timeframe under WIOA regulations.

Eligibility Requirements

Participant Eligibility

For an individual to qualify for Transitional Jobs under the program guidelines:

1. Must have completed an application and enroll as a participant in a GST Michigan Works WIOA Adult, Dislocated Worker or Special Funding initiative; and
2. Have completed an initial assessment and have been determined to be an individual with a barrier to employment and/or a history of chronic unemployment or an inconsistent work history. Supporting documentation proving eligibility is required; and
3. Be currently unemployed or underemployed.

Employer Eligibility

For an employer to qualify for Transitional Jobs under the program guidelines;

1. Be a private-for-profit business, private non-profit organization, or public sector employer; and
2. Provide a quality work experience for participants to gain valuable skills.
3. Provide a safe environment for participants to gain skills.

An Employer will NOT be eligible to participate as a Host Employer site if;

1. The employer has any other individuals on layoff from the same or substantially equivalent position.
2. The Transitional Job would infringe upon the promotion or displacement of any currently employed worker or a reduction in their hours.
3. The same or a substantially equivalent position is open due to a hiring freeze.
4. The employer(s) has recently relocated, resulting in the loss of employment of any employee of such business at the original location in the U.S. Transitional Job placements may not be granted to the employer(s) until after 120 days have passed since the relocation.

General Transitional Requirements

1. Transitional Jobs Program should be combined with Career Services and supportive services as necessary and allowed.
2. Transitional Job placements should contribute to the occupational development and upward mobility of the participant.
3. Per WIOA regulations (20 CFR 683.200 (g)), “no individual may be placed in an employment activity if a member of that person’s immediately family is directly supervised by or directly supervises that individual”. For this policy, the term “immediate family” includes a spouse, child, son-in-law, daughter-in-law, parent, mother-in-law, father-in-law, sibling, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparent and grandchild.
4. It is acceptable for the employer to hire the participant after the 90 day timeframe has exhausted, however they are not obligated to.

Transitional Jobs Length of time

Transitional Jobs will be limited to 90 days in length. Extenuating circumstances to add additional time shall only be granted by approval from GST Administrative staff. Transitional Jobs will be for employment up to, but not more than forty (40) hours of work per week. No overtime is allowed.

Transitional Jobs Funding Levels and Reimbursement

All Transitional Jobs Placements must pay at least the state’s minimum wage. The participant must be paid the company’s prevailing wage for the occupational title they are employed at. Reimbursement of hourly wages will not exceed the maximum of \$15.00/hr. of wages earned by a participant. Weekly time and attendance records must be submitted to GST Michigan service providers to receive their earnings.

Overtime, sick time, vacation time or holiday is not to part of the Transitional Jobs reimbursement under any circumstances. Wage Reimbursements directly to the employer(s) is not allowed under Transitional Jobs WIOA funding.

GST Providers Requirements

With Assistance from GST Michigan Works Administrative staff, participating employers must guarantee that:

1. The Transitional Jobs Program Paid Work Agreement is completed and signed by all parties before the participant begins employment.
2. Employees who have financial responsibilities related to the receipt and disbursement of funding under the agreement can be covered by fidelity

3. The training to be provided will be in accordance with WIOA 181 (a)(1)(A) and 683.275 for wage and labor standards. Worker protection requirements are set forth in WIOA Sections 181 (a)(1)(A) and (B) (b) (2), (3), (4) and (5) and 188.
4. The employer host site and provider agree to cooperate with monitoring efforts as required by WIOA legislation and the State of Michigan. Agree to adhere to all other applicable local, state and federal rules and regulations.
5. Funds are not used to directly or indirectly assist, promote or deter union organizing.
6. The employer host agrees to respond to GST Michigan Works staff requests for wage and retention information of participants.
7. There is no expectation that the employer providing the Transitional Jobs placement will hire the participant permanently.

ACTION:

Service Providers shall take the appropriate actions necessary to implement the directives of this policy issuance. Service Provider officials shall ensure the information contained in this policy is disseminated to all appropriate staff.

INQUIRIES:

Questions regarding this policy issuance should be directed to John Anderson 810-233-5974 Ext. 159, Angela Libkie 810-233-5974 Ext 102 or JulAnn Kuenzli 989-635-3561 Ext 230.

SIGNED:



Jody Kerbyson, CEO

10-25-17

Date