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Introduction. Each module of the GPMS Data Collection Handbook has an appendix containing a discussions of topics that are relevant to the headings and data fields within the module. The order and numbering of the topics follow those of the main text of the module. These topics provide more extended discussion of important issues for the GPMS data collection and reporting system and provide context for the individual data fields described in the main text. Topics generally address broad concepts, such as: what “exit” means, what types of income are includable or excludable, when follow-ups must be completed, and what services may be provided before assigning an applicant to community service. The topics also include relevant information from the SCSEP regulations, TEGs, and other guidance.

The Appendix, like the Handbook, has a version number and a date on the bottom of each page. The hard copy versions that users may have been given may not contain the most up-to-date version of the modules. However, the version on the CoP will always be the most recent, and users are encouraged to check that site regularly. Additions and clarifications to the Handbook and Appendix may also be posted on the CoP as they occur. In addition to the Table of Contents, the PDF versions of the Handbook and the Appendices have a search function that allows users to search for key words. The search function will bring you to each instance of the search terms in the Handbook. This is probably the easiest and quickest way to find topics in the appendix.

In Version 1.1 of the Appendix to Module II, revisions made to the topics are noted in the text. Revisions have been made to these topics:

- Section II, Add New Host Agency, 3. Organization Type, field 3.3
 - 3.b Documentation of Section 501(c)(3) status
- Section III, Participant Required Actions, 2. Assessment/IEP Details. fields 10-10.5
 - 2.a Revision to IEP; failure of participant to cooperate

I. ASSIGNMENT DETAILS

I. ASSIGNMENT DETAILS

1. Waiting List, field 1.2

1.a *Removal of applicant who is working from waiting list*

- You cannot remove an applicant from the waiting list merely because the individual is working. The law requires only that an applicant be unemployed and not job ready at the time of enrollment. Enrollment does not occur until you assign the applicant to a host agency. At that time, if you find that the applicant is job ready, you can reverse the eligibility determination.
- However, you should not wait until an opening occurs to find out the applicant's status and intentions. You should contact the applicant when you discover a potentially disqualifying issue, remind the applicant of the eligibility requirements, learn if the applicant intends to continue working, and determine if the new employment now renders the applicant job ready. If so, you can close the record by withdrawing the applicant from the waiting list. You would do this using the Actions function on the Cases page or the Related Action function. Any adverse action is subject to the grantee's grievance policy, and you should inform the applicant of that policy.

1.b. *Responsibility to applicants placed on the waiting list*

- An applicant may remain on the waiting list as long as he or she is interested in an assignment and meets the eligibility requirements. However, it is not fair to the applicant or helpful to the program to let applicants languish on the waiting list for an excessive period. You should be in touch with waiting list applicants regularly to find out if they are still interested in the program and to give them an update on when they might be enrolled. If there is no real prospect of an opening, the participant might decide to withdraw or explore some other program. The choice remains the applicant's; you should not force someone off the waiting list.
- Confirming the eligibility of applicants on the waiting list should be done informally and for the benefit of the applicant. An eligibility determination is good for 12 months, barring a substantial change in circumstance. An applicant who is over-income at some point while on the waiting list may not be over-income when an opening is available. However, if an applicant has become over-income and is approaching 12 months since the eligibility determination, an applicant is entitled to know that any assignment would be short-lived and that the first recertification would result in termination from the program. Given that information, the applicant might decide to withdraw from the waiting list.
- Although you are normally not required to redo or update the intake fields for eligibility purposes, you should update the rest of the form, especially the barriers to employment because you will need that information for making an appropriate assignment and because the priorities of service must reflect the participant's situation at the time of enrollment.
- If there has been a change in any of the characteristics that are subject to data validation, you will need appropriate documentation. Since the intake fields are filled out by the case worker, you should not otherwise need the participant to initial or sign anything. If you do

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want the participant to update any forms you use, you can have the participant re-date and re-sign the forms and initial any changes from the original as long as a validator or monitor can easily tell what has occurred. If there is any ambiguity, it is better to complete a second form and keep both forms in the file.

1.c *Requiring SSNs for applicants on waiting list*

- The official waiting list in the GPMS is only used for those applicants who have been determined eligible but who have not received an assignment within two weeks of the eligibility determination date. The GPMS requires an SSN for all records, including applicants and those on the waiting list, because the SSN is used initially to determine that there is not already an existing record for the individual. As soon as the SSN is first saved in the GPMS, it is immediately masked and encrypted in the GPMS database. The SSN then generates a Participant Identification Number (PID) that is used to uniquely identify the individual. The SSN itself is never retransmitted or displayed in any way in SPARQ. This limited and totally protected use of SSNs is in accordance with DOL's security policy. If the applicant does not have an SSN, you can obtain a proxy number from SCSEP Help. See Topic I.1.c of the Module I Appendix
- Grantees are free to keep informal waiting lists of their own with whatever information about applicants they find useful. However, once an applicant is entered into the GPMS, the SSN is required to begin the creation of the record.

2. Funding Source of Supervisor, field 12.2

2.a *Funding source of supervisor or contact person/supervisor*

- This optional field allows you to indicate whether the supervisor (or contact person/supervisor if one individual has both positions) is federally funded or not federally funded. This information may help you determine the amount of in-kind contribution made by the host agency to your project. For non-federally funded supervisors, you can also indicate the average number of hours per week spent on supervision of all SCSEP participants and the supervisor's average hourly wage. Grantees can use this information to document non-federal match for SCSEP.
- SCSEP does not have any specific requirements for the 10% match other than those contained in the regulations. Section 641.809 specifically incorporates the cost sharing rules of 29 CFR 97.24 and 29 CFR 95.23. All non-federal match must be documented. For in-kind labor provided by a third party, you must apply procedures for documenting and valuing time comparable to those you use for your own employees.

2.b *OJE supervisor's time as non-federal match*

- If the OJE supervisor is paid with non-federal funds and you can determine what portion of the supervisor's time is spent supervising a participant on OJE, you can count the value of the supervisor's time as part of your non-federal match just as you count the value of a host agency supervisor's time.

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3. Assignment Date, field 2.1

3a *What date determines enrollment for the service level measure?*

- When an eligible applicant is assigned to community service (field 2.1), the applicant becomes a participant. The numerator for the service level measure is all participants active (assigned to community service) at any time during the reporting period. A participant with a community service assignment date of 6/30/2024 will be counted in the service level measure for PY 2022 regardless of when the participant actually started work at the host agency.

3.b *Permissible activities prior to assignment*

- Only eligible applicants who have been assigned to an authorized community service position may receive any SCSEP services. At the point of assignment, the applicant becomes a participant; may receive services such as orientation, an IEP, and training; and may be paid wages. The date of participation is the date of assignment. The participant is not required to physically commence the assignment with the host agency prior to receiving SCSEP services. The Community Service Assignment screen has two dates: the date of assignment and the date on which the participant actually starts work.
- Sub-grantees must assess applicants' work histories, aptitudes, abilities, and interests in order to make an effective assignment. This determination of suitability for assignment is part of the intake and eligibility process and does not conflict with the regulations. In the GPMS, it is called Pre-assessment and is documented in the Program Introduction (Module I, field 20.1). Moreover, in many situations, it may be necessary for the sub-grantee, as part of the intake process, to do a more complete assessment of certain characteristics – such as illiteracy, social isolation, or other social barriers – that determine preferences for service before determining whether to provide service to an applicant. Sub-grantees are authorized and required to do a complete assessment to determine priorities for service and make an appropriate assignment.
- Host agencies should be recruited based on their ability to provide meaningful training opportunities that respond to the needs of the participant pool, and participants should only be assigned to host agencies that meet their needs as documented in their assessments. However, the applicant may not be paid for taking part in this pre-assessment, and the process should stop short of the formal drafting of an IEP. The pre-assessment of suitability and determination of characteristics may form the foundation for the formal IEP that takes place after assignment (and at which time the participant may be paid).
- For many participants, the assessment and assignment process will not be extended or complicated. In such cases, nothing prohibits a sub-grantee from conducting an assessment, completing the formal IEP, and assigning a participant to a community service position in one sitting, all on the same day. Since the date of the assignment in the data system and the date on the assessment instrument and IEP will be the same, there would be no violation of the regulation. The point of the regulation is that only those individuals who are in need of – and who actually receive – a community service position are entitled to other SCSEP services.
- Except in rare circumstances described in the Topics 6a, 6.b, and 6.c, below, it is not permissible to assign an applicant to the sub-grantee's project office as a placeholder in order to pay the applicant wages and conduct a formal assessment prior to assigning the applicant

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to his or her real community service position. Applicants can be assigned to the project office only when there is a legitimate community service position available, and the applicant will be performing legitimate work at the project office. On the other hand, as long as the original assignment was made in good faith, nothing prohibits a sub-grantee from changing a participant's initial community service assignment if a more complete assessment or the formal IEP reveals that the initial assignment was not optimal.

4. Assignment Start Date, field 2.2

4.a *Assignment date for participants who do not start work at a host agency before exiting*

- There are circumstances where you have made someone a participant – taken an application, determined the applicant eligible, and assigned the applicant to a community service position – but the individual changes his or her mind and withdraws from the program before actually starting the community service assignment. In these cases, you enter the assignment date in field 2.1; you leave the start date (field 2.2) blank and enter the end date (field 2.3). You also complete the Exit Form and identify the reason for the exit as a true exit.
- You are not permitted to place an applicant directly into unsubsidized employment without first assigning the individual to community service. In rare cases, a participant may find unsubsidized employment on his or her own before actually starting work at the host agency. If this occurs with any regularity, it will suggest that you are circumventing the regulation. This is likely to trigger a monitoring inquiry.

5. Assignment End Date, field 2.3

5.a *End date when re-assigning a participant to a new host agency*

- The movement of a participant from one host agency to another is a reassignment. You have three days after closing a host agency assignment to start a new assignment for that grantee. If you do not think that you can assign the participant to the new host agency within three days, you have only one effective choice: You should place the participant on an approved break in participation. See additional topics in [Section IV](#) below.

6. Host Agency, field 2.6

6.a *Assignment to project office*

- An eligible applicant can be assigned to a grantee's or sub-grantee's project office as long as the office meets the requirements for being a host agency, there is a position available, the assignment is legitimate, and the assignment is consistent with the participant's IEP.
- If there is no suitable host agency assignment available, you are required to place an eligible applicant on the waiting list and may not assign the applicant to the project office solely to have a way to pay the applicant wages. However, in extraordinary circumstances where a regular host agency assignment is not available and placing an applicant on the waiting list for an extended period would create hardship or be contrary to the intent of the regulations, the applicant may be assigned temporarily to the grantee's or sub-grantee's project office while a more suitable assignment is being developed.
- For example, a veteran over the age of 60 with multiple barriers to employment, perhaps including physical or mental disabilities, requires extensive assessment and observation in a host agency environment before it is possible to determine what kind of host agency

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assignment is appropriate. In this case, the sub-grantee may assign the participant to a position at the sub-grantee's project office and may conduct the assessment while having the participant provide various services to the sub-grantee. At the end of three weeks of assessment and observation, the sub-grantee identifies a host agency that is willing and able to work with the participant and reassigns the participant to this host agency.

- This procedure is a very narrow exception to the general rule that an applicant cannot be paid and cannot receive SCSEP services until the applicant has been assigned to a legitimate community service position. The general rule does not permit you to pay an applicant while you are conducting a pre-assessment prior to assignment.
- If a participant is assigned to the project office, you must select value E1, Project Administration, as the community service assignment code in field 2.18, and Local Project in the field for "Participant Assigned to:" in field 2.16; you must also populate the starting wages paid in field 2.20 and the hours per week in field 2.21.

Any use of this exception must be fully documented and is likely to be audited. For that reason, you should check with your federal project officer before using this exception.

6.b *Assignment of participant to temporary host agency for assessment and other services*

- Although it is permissible to use temporary assignments in some circumstances, you should not be assigning participants to temporary host agencies in order to provide additional services to participants before they commence their real host agency assignment.
- Only participants can receive SCSEP services. A participant is an eligible applicant who has been assigned in good faith to a host agency with the expectation that he or she will commence work there. Once assigned, the participant may receive additional services before reporting to the assignment; however, you should not routinely make temporary assignments in order to provide services before you make the real host agency assignment. You can do as much pre-assessment as is necessary to make an appropriate host agency assignment, but no more than that, before assigning an applicant. There are limited exceptions where a participant with serious barriers to employment may need a trial assignment to community service. As a rare exception, you may assign the participant to the project office or to a temporary host agency for purpose of completing the assessment or trial. See [Topics 6.a](#) and [6.c](#) in this section.

6c *Closure of host agency due to natural disaster*

- DOL has stated that during natural disasters you may assign participants to temporary host agencies, including disaster assistance agencies such as the Red Cross. However, you may not pay participants wages unless they are actually working at a community service assignment or are in paid training. If it is not possible to provide a temporary assignment or paid training, the participants should be put on approved break. You may allow participants to make up lost time when their host agency reopens. The opportunity to make up time does not have to be limited to the next payroll period.

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6.d *Assignment of two family members to same host agency*

- You may enroll two members of the same family; however, you should usually assign them to different host agencies in order avoid family dynamics in the workplace.
- If there are compelling reasons to assign two family members to the same host agency, e.g., one participant has a disability and the other participant is essential for getting the first to the work site, you should try to find them jobs that minimize their contact.
- You must ensure that one relative does not supervise the other and must avoid any issues of nepotism.
- SCSEP wages received by an existing participant are not included in family income when determining the eligibility of the other family member.

6.e *Participant as board member*

- It is a conflict of interest for a participant to serve as a board member or in any decision-making capacity for a host agency or sub-grantee. Section 641.841(a) of the SCSEP regulations, the anti-nepotism provision, prohibits assigning a participant to a host agency if a member of the participant's family (and the definition of family is quite extensive) serves in a decision-making capacity (whether or not compensated) for the host agency. Since it is a conflict to have a relative who is on the board of a host agency, it is also a conflict for a participant himself or herself to be on the board of a host agency. The intent of the regulations is to prevent a conflict that results in the participant's getting more favorable treatment than other participants. For the participant to be on the board invites exactly that kind of favoritism or at least the appearance of it.

6.f *Advocacy work at host agency*

- The regulations prohibit enrollees from lobbying or engaging in partisan political activities (Hatch Act prohibitions). Moreover, host agencies, which must be non-profits under Section 501(c)(3) of the IRS code, are not permitted to engage in lobbying. It is often difficult to tell when advocacy and outreach to members of Congress cross the line into lobbying. Therefore, the participant may be assigned to a host agency engaged in such actions only if you have taken adequate steps to ensure that the participant does not engage in activities that could be considered improper under the regulations.
- The best way to ensure that there are no problems or misunderstandings is to write into the host agency agreement a provision that the participant may not engage in certain defined activities, including making phone calls or sending letters to Congress or assisting others in these activities. You need to make sure that both the host agency and the participant understand fully the nature of the restriction and the consequences of violating it. You must also monitor the assignment to make sure that the restrictions are being enforced.

6.g *Participants volunteering at a host agency*

- Volunteer work may not occur in the host agency where the participant is assigned or has any ongoing connection while enrolled, including while the participant is on approved break. In an assignment, it is often very difficult to determine whether volunteer work is truly voluntary. Wage and hour laws would require payment of such labor for an employee (that

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is, an employer cannot pay an employee for certain hours of work and accept additional hours of work as volunteered), and the SCSEP regulations require that participants be paid for all community service work. For these reasons, the participant should be told to volunteer at an organization other than his or her own host agency if the participant has extra time and energy.

6.h *Participant discovered to be working at a host agency to which assigned*

- When a participant is found to be working as an employee at the host agency to which the participant has been assigned, the only practical remedy is to terminate both the host agency and the participant for failure to comply with program rules.
- Grantees must inform all host agencies of the no-employment rule in their host agency agreements. If the host agency was informed of the rule, you should end your relationship with the host agency and not place any other participants there. Grantees are also required to inform all participants in writing of the no-employment rule and of the importance of immediately reporting any employment. If you have properly informed the participant, you must terminate the participant in accordance with your termination policy and SCSEP requirements for 30-days written notice and advisement of the right to file a grievance. Under these circumstances, you should put the participant an unpaid break in participation during the 30-day notice period.

6.i *Participant assignment to religious day care center*

- The regulations prohibit use of DOL funds to support inherently religious activities. The applicability of the statutory and regulatory restrictions to SCSEP is governed by TEGL 29-07 and an opinion of the DOL Solicitor dated March 11, 2009, about a participant's being assigned as a secretary in a church. That opinion states:

For SCSEP grantees, this means, among other things, that participants may not be employed to carry out inherently religious activities or required to participate in any inherently religious activities. Whether a participant may be placed in a church depends, then, on the type of job the participant will be assuming. Participants may not be employed to further the religious function of the organization, to conduct religious activities, or to engage in activities that include religious content. Whether a participant may be employed as a secretary would depend on the nature of his/her job duties. If the participant would be supporting activities that include religious content, such as typing up the weekly sermon or monthly newsletter, then employment as a secretary would be impermissible.

The opinion goes on to state that there is no hard and fast rule and that the answer must depend on the facts of each case.

- Although the mission of a day care center could suggest that the participant would be involved in inherently religious activities, you will need to confer directly with the potential host agency to determine the specific duties required of the participant. The job description is one important document you should examine, but it may not be sufficient to determine whether the participant's duties would be restricted to secular activities.

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- You should also make the prohibition on religious activities clear to both the participant and the organization.

6.j. *Assignment of ex-offenders to host agencies*

- SCSEP policy has long prohibited discrimination against ex-offenders. See Topic II.4.d in the Appendix to Module I. In addition, TEGL 31-11 requires grantees to conduct their activities using safeguards to prevent discrimination and promote employment and training opportunities for ex-offenders. This applies to decisions to assign participants to host agencies and the information grantees convey about a participant's background. The TEGL relies upon and requires grantees to follow the EEOC's guidance on arrest and conviction: <https://www.nelp.org/publication/2012-eeoc-guidance-consideration-arrest-conviction-records-employment-decisions/#:~:text=Formerly%20incarcerated%20men%20can%20expect%20to%20work%20online,of%20a%20criminal%20record%20and%20build%20stronger%20communities.>
- In general, grantees should not employ, or permit host agencies or employers to apply, practices that can have a disparate impact on participants unless they are job-related for the position in question and consistent with business necessity. For convictions, the EEOC states that this standard requires a determination of:
 - the nature and gravity of the offense or conduct
 - the time that has passed since the offense or conduct and/or completion of the sentence
 - the nature of the job held or sought
- For arrests, the EEOC has said that "although an arrest record standing alone may not be used to deny an employment opportunity, an employer [or host agency, in the case of SCSEP] may make an employment decision based on the conduct underlying the arrest if the conduct makes the individual unfit for the position in question. The conduct, not the arrest, is relevant for employment purposes."
- Grantees must find suitable host agency assignments for participants based on their assessment and IEP; doing so requires a sensitive consideration of the participant's criminal background. Grantees should only ask such questions after participants have been determined eligible and only if the questions are necessary for the types of assignments being considered. If a host agency is justified in requiring information about a participant's criminal background, the grantee may disclose it with the participant's permission. If the participant does not consent to the disclosure or the host agency refuses to accept the participant, the grantee is required to find another community service position for which the participant's criminal record will not be an issue.

6.k *Cash handling assignments for participants*

There is no SCSEP rule that prohibits the assignment of participants to community service positions involving the handling of cash. It is possible that some grantees have had an unofficial policy to this effect. If so, they have done so without the approval of the national office. Such a policy has the appearance of discrimination and would have to be supported by clear, non-discriminatory justification. A grantee should obtain approval from the national office before imposing any such restriction.

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7. Supervisor's Funding Source, field 2.12

7.a *OJE supervisor's time as non-federal match*

If the supervisor is paid with non-federal funds and you can determine what portion of the supervisor's time is spent supervising a participant on OJE, you can count the value of the supervisor's time as part of your non-federal match just as you count the value of a host agency supervisor's time. All such in-kind contributions should be reflected in the grantee's budget but will require more detailed payroll information as documentation. See topic on supervisor's time as non-federal match in [Topic 2.a](#) above.

8. Starting Wage per Hour, field 2.18

8.a *Payment of higher wages to participants assigned to project office*

- There is no rule governing the wages of participants assigned to the project office. The regulation requires you to pay all participants the higher of the applicable minimum wage or the prevailing wage. You may pay applicants more than this required amount, but you are strongly discouraged from doing so. The more you pay participants above the minimum, the fewer participants you can serve. If you do pay more than the minimum, you should do so pursuant to a policy that has been reviewed by the national office so you are not accused of acting arbitrarily or discriminatorily.
- DOL also strongly discourages paying higher wages to participants assigned to the project office. Grantees and sub-grantees often pay participants more than they would receive at other host agencies in order to keep the participants working for them. This practice may create a disincentive for the participants to seek unsubsidized employment and thus may be doing the participants a disservice. It also deprives other eligible seniors of the opportunity to participate in SCSEP.
- There are other problems as well. This practice is often seen as unfairly rewarding a small class of participants and may create morale issues for other participants. In addition, participants assigned to the project office must be rotated to other jobs within the project office or to other host agencies as required by their IEP, like all other participants. When they are rotated, they lose their employment premium. This can have a negative effect on the participants' morale.
- It is not permissible to put participants directly on the project payroll for a few additional hours each week as a way to supplement their pay. That constitutes part-time employment, which is not permitted for participants while they are in community service.

9. Hours per week in CSA, field 2.19

9.a *Host agency work schedule*

- There is no requirement for the number of hours or days per week that a participant must work at a host agency as long as the hours are part-time. See topics in Section VI below for a discussion of hours per week and per year. Although four or five days per week are probably the norm, it is up to grantees to establish working conditions at the host agency that are appropriate for the participants and reasonable for the host agencies. Those working conditions, including the number of hours per day and days per week, should be spelled out in the host agency agreement or the participants' job descriptions.

GPMS DATA COLLECTION HANDBOOK MODULE II APPENDIX
ASSIGNMENT: Assignment Details, Add New Host Agency,
Participant Required Actions, Approved Breaks, Training and Services, Paid Hours

I. ASSIGNMENT DETAILS

- For many participants, three days per week might be perfectly reasonable. However, given the age and physical condition of some of our participants, nearly seven hours per day on average might be too demanding for some. If so, you would have an obligation to find new assignments for those participants.

II. ADD NEW HOST AGENCY

II. ADD NEW HOST AGENCY (*Revised, Version 1.1*)

1. Add New Host Agency, fields 3-6.6

1.a *Maintenance of effort; assigning participants to host agencies that have had layoffs*

- SCSEP participants cannot be used to replace workers who are on layoff. Section 502(b)(1)(G) of the Older Americans Act specifically provides that each project funded under the act “will not employ or continue to employ any eligible individual to perform work the same or substantially the same as that performed by any other person who is on layoff.” The same requirement is contained in the SCSEP regulations. The statute also provides that SCSEP funds may “not impair existing contracts or result in the substitution of Federal funds for other funds in connection with work that would otherwise be performed.” Therefore, you cannot assign SCSEP participants to a host agency if they will be doing work substantially similar to that performed by regular employees who have been laid off.

1.b *Role of host agencies*

- The CSA is the core of the SCSEP program design. Every participant receives soft skills and basic skills training at a host agency training site during the community service assignment. The assignment to a host agency and the specific job the participant performs there should be based on the participant’s IEP. It should list the participant’s goals for self-sufficiency and should detail what barriers will be removed and what skills will be obtained at the host agency, as established in the participant’s assessment. Participants may obtain additional training and education outside of the host agencies, but for the substantial majority of participants (roughly 90%), preparation for employment and for self-sufficiency occurs at the host agency.
- Because of their central role in SCSEP, host agencies should be selected with great care and should receive orientation, training, and ongoing support. Grantees should be regularly assessing the needs of their participant pool and recruiting new host agencies that can respond effectively to those needs. A participant should only be placed with a host agency that can provide the training and skills identified in the participant’s assessment and IEP. If no current host agency meets those needs, the participant should be placed with the most appropriate available host agency while the grantee seeks a better match for the participant. See Topic IV.2 of the Appendix to Module I.
- Grantees are required to conduct their activities using safeguards to prevent discrimination and promote employment and training opportunities for ex-offenders. This applies to decisions to assign participants to host agencies and the information grantees convey about a participant’s background. See TEGL 31-11 and topics Section II.4 of the Appendix to Module I.
- Participants should be rotated into new jobs within their current host agencies as needed to obtain additional skills or should be rotated to new host agencies if their current host agencies do not have positions that can provide those skills.

II. ADD NEW HOST AGENCY

1.c *Location of host agency; county of residence*

- Grantees may only enroll participants whose county of residence is a county where the grantee has authorized positions. However, there is no requirement that the host agency assignment must be located in the participant's county of residence.
- The participant must be assigned to a host agency that can meet the needs identified in the participant's IEP and that is geographically convenient to the participant given the means of transportation available. Grantees must recruit host agencies that offer the kinds of training and jobs required by the participants enrolled in their program and that are convenient to where participants are located. The number and range of host agencies vary greatly by county, especially in rural areas, and the most suitable assignment for a participant's IEP goals may sometimes be in another county. However, before assigning a participant to a host agency that is not geographically convenient, grantees must make every effort to find an appropriate host agency that is convenient.

2. FEIN, field 3.3

2.a *Public source of FEIN's*

- FEINs are for the use of grantees and are not mandatory. There are numerous online search services for FEINs, but they all appear to charge a fee. (Try searching for "FEIN" with your favorite search engine.) Since many companies consider their FEIN to be proprietary, you may not be able to obtain the FEIN. This is more likely to be true of employers. Host agencies, on the other hand, should give you their FEIN as a matter of course because of your ongoing relationship with them.
- For more information, see <http://www.irs.gov/businesses/small/article/0,,id=98350,00.html>

3. Organization Type, field 3.3 (Revised, version 1.1)

3.a *Host agencies must be Section 501(c)(3) organizations or public agencies; churches; U.S. Postal Service*

- The regulations require that the host agency itself be a government agency or Section 501(c)(3) organization.
- Section 508 of the Internal Revenue Code states that churches are deemed to be tax-exempt and do not need to apply for 501(c)(3) status. Therefore, churches are permissible host agencies even if they have not obtained a Section 501(c)(3) certificate from IRS. However, grantees can only assign participants to religious organizations if the assignment does not involve religious activities. See TEGL 29-07.
- Although the Postal Service is independent, it is a public agency. The statute governing the Postal Service provides, "The United States Postal Service shall be operated as a basic and fundamental service provided to the people by the Government of the United States, authorized by the Constitution, created by Act of Congress, and supported by the people." The statute goes on to define the Postal Service: "There is established, as an independent establishment of the executive branch of the Government of the United States, the United States Postal Service."

II. ADD NEW HOST AGENCY

3.b *Documentation of Section 501(c)(3) status (Revised, Version 1.1)*

- Documentation of tax-exempt status is a SCSEP regulatory requirement. This item is not currently subject to Data Validation but is expected to be added to the DV sample in the GPMS. When recruiting host agencies, grantees are required to obtain and continue to retain documentation of non-profit status as they have always done.
- With the exception of churches and the US Postal Service as noted in topic 3a above, all qualifying non-profit organizations must have a tax status determination letter from the IRS. The letter is only issued once upon application by the nonprofit and is not renewed. However, the nonprofit is required to file a 990 tax from each year to maintain its tax status. Failure to file for three consecutive years results in automatic revocation of the 501(c)(3) status. Non-profits can also lose their status for violating other rules, e.g., engaging in political activity or serving a private rather than a public purpose. <https://www.irs.gov/pub/irs-tege/How%20to%20Lose%20Your%20Tax%20Exempt%20Status.pdf>
 - Acceptable documentation is the IRS determination letter. This must be obtained at the time of the first host agency agreement. Because the determination letter is never renewed, a current copy of the annual 990 tax form is also required in order to establish that the tax-exempt status is still in effect. The 990 tax form should also be verified at the time of the first host agency agreement and at each annual renewal of that agreement.
 - If there is doubt, the potential host agency must get clarification from the IRS. Without unambiguous tax status documentation, grantees are not qualified to determine tax exemption. See also topics 3c and 3 d below.

3.c *Can a host agency satisfy 501(c)(3) status through a fiscal agent?*

- Small nonprofits sometimes use larger organizations as their fiscal agents because it makes the funders more secure, but that has no impact on our statute. The statutory requirement is not satisfied by using a Section 501(c)(3) organization as the fiscal agent of the host agency unless the host agency itself is also a Section 501(c)(3) organization.

3.d *Subordinate entities of Section 501(c)(3) organizations*

- An IRS Section 501(c)(3) certificate may state that any subordinate entities listed in the organization's "directory" are also exempt. The critical issue is whether an organization is itself a separate legal entity or just an activity of a subordinate entity listed in the directory. If the latter, there is no problem. If the former and it is not listed in the directory itself, then it cannot be a host agency.
- If there is doubt, the potential host agency must get clarification from the IRS. Grantees are not qualified to determine tax exemption or to guess about how the IRS would handle complex legal relationships; grantees must act on what the IRS has actually determined.

III. PARTICIPANT REQUIRED ACTIONS

III. PARTICIPANT REQUIRED ACTIONS

1. Offer of Physical Exam, field 8

1.a *Physical exam*

- Grantees are required to offer all participants an annual physical at the grantee's expense. This physical, as a fringe benefit, is solely for the benefit of the participant; it may not be used for the grantee's own purposes. If a participant declines the offer of a physical, grantees must obtain a signed waiver.
- In limited circumstances where grantees are entitled to require a physical exam, e.g., where one is required of all participants assigned to a particular host agency position, the grantee must arrange for a separate examination at the grantee's or host agency's expense. Grantees may not request a copy of the annual physical exam provided to the participant as required by the OAA.
- A grantee may impose a cost cap on physical exams as long as the grantee ensures that the participant can access the physical exam within the constraints of the cost cap. The grantee should also offer the participant the opportunity to receive the physical exam through the participant's choice of health providers and be reimbursed up to the amount of the cost cap. In addition, the grantee must provide for a waiver of the cap if required by extraordinary circumstances, e.g., the nature of the participant's host agency assignment.
- The cost of physical exams may be charged to either the participant wages and fringe benefits (PWFB) line or the other participant costs (OPC) line. It generally makes sense to use the PWFB line because there is more money there. Because OPC funds can be used for training, supportive services, etc. while PWFB funds cannot be used for these purposes, OPC funds should usually be reserved for these more restrictive uses.

2. Assessment/IEP Details, fields 10-10.5 (*Revised, version 1.1*)

2.a *Revision to IEP; failure of participant to cooperate (Revised, version 1.1)*

- The IEP is the responsibility of the sub-grantee. Section 641.535(a)(2) and (3) sets forth the requirement for conducting the assessment of the participant and updating the IEP. The participant should participate in the drafting of the IEP and agree to it but cannot be compelled to sign the document.
- (*Revised, version 1.1*) If, without good cause, the participant fails to participate in the development or carrying out of the IEP or refuses to accept provisions that are required by the rules, you may terminate the participant for failure to cooperate with the IEP process in accordance with your termination policy. However, this should only be done as a last resort.

2.b *New IEP on reassignment of participant to new host agency*

- The regulations require that a participant's assessment and the resulting IEP must be updated at least twice in each 12-month period. Both should be updated more frequently if needed.
- If the original IEP was accurate and the only reason you are moving the participant to a new host agency is because the original host agency could not provide the needed training, there would not be any need to revise the assessment or IEP (except, perhaps, to reflect the job at the new assignment). The IEP is not directly driven by the calendar; you have the flexibility

III. PARTICIPANT REQUIRED ACTIONS

to do a new IEP whenever it is appropriate as long as you do an update at least twice in every 12 months.

- On the other hand, if you discovered that the IEP does not really reflect the kinds of training or skills that the participant needs and are moving the participant to a new host agency that could better meet the participant's needs as you now understand them, you should update the assessment and IEP to reflect this new understanding. That would be true even if you had just recently done the assessment and IEP.

IV. APPROVED BREAKS

IV. APPROVED BREAKS

1. Break in Service Details

1.a *Leave of absence/approved break in participation*

- Grantees are required to have a policy governing approved breaks in participation, including breaks for necessary sick leave. Most sick leave policies include time for medical appointments, but it is up to each grantee to define its own policy. Compensation may be in wages or in the form of made up work time. The policy must be in writing and should clearly describe the consequences if a participant violates the policy. The policy should also be referenced in the grant. Violation of the policy would be grounds for termination and should be subject to the grantee's grievance procedure. See Section 641.580(d) of the regulations. Participants should acknowledge in writing their receipt of the policy.
- Grantees must provide necessary sick leave to participants. Grantees must decide what constitutes necessary sick leave and if it is paid or in the form of rescheduled work time.
- Participants are not federal employees and are not subject to the protections afforded to federal employees. However, before you conclude that participants are not employees under state law and thus are not covered by federal or state policies providing for leaves of absence that apply to employees in your state, you should check with the relevant state authorities such as the Labor Department or the Attorney General.
- A participant on an approved break is still a participant. If the participant is returning to the host agency where last assigned, do not end the current assignment, but use fields 11.2-11.4 to record the dates of a leave of absence. If the participant is not returning to the current host agency and you have ended the assignment, this field establishes that the participant is still enrolled in the program while he or she is between host agency assignments.
- If you do not have a suitable host agency assignment for a participant and you do not expect to have one within a reasonable period, you must place the participant on a leave of absence. You cannot terminate an applicant except as allowed by law and your grantee termination policy.

1.b *Assignment date for participants who do not start work at a host agency before exiting*

- There are circumstances where you have made someone a participant – taken an application, determined the applicant eligible, and assigned the applicant to a community service position – but the individual changes his or her mind and withdraws from the program before actually starting the community service assignment. In these cases, you enter the assignment date in field 2.2; you leave the start date (field 2.4) blank, and you enter the end date (field 2.3). You also complete the Exit Form and identify the true reason for the exit.
- You are not permitted to place an applicant directly into unsubsidized employment without first assigning the individual to community service. In rare cases, a participant may find unsubsidized employment on his or her own before actually starting work at the host agency. If this occurs with any regularity, it will suggest that you are circumventing the regulation. This is likely to trigger a monitoring inquiry.

IV. APPROVED BREAKS

1.c *When should participants be put on approved break*

- The regulations provide that an approved break that is taken under the grantee's policy and that is properly entered into the case management system will not count toward either the individual participant durational limit of 48 months or the average project duration of 27 months. Grantees should have a policy governing approved breaks in participation, including breaks for necessary sick leave and breaks for administrative reasons. The policy should be in writing and should clearly describe the consequences for a participant who violates the policy. The policy should also be referenced in the grant. Violation of the policy would be grounds for termination (if the grantee's termination policy so provides) and should be subject to the grantee's grievance procedure. See Section 641.580(d) of the regulations. Participants should acknowledge in writing their receipt of the policy.
- In general, participants should be placed on approved break when: 1) they are still enrolled but not assigned to any host agency; or 2) are assigned to a host agency but are not going to be compensated (either in pay or made-up time). In addition, there are special circumstances, such as the COVID-19 pandemic, where the national office has said that participants may receive payment for necessary sick leave and be placed on an approved break in service. Such circumstances are extremely rare and should be confirmed with the national office.
- The action leading to an approved break may be initiated by the participant or the grantee. Here are some examples of when participants should and should not be placed on an approved break:
 1. A current participant must either be assigned to a host agency or be on approved break. The rule requires you to make the new assignment or enter an approved break within four days of ending the last assignment. If an assignment has ended and you do not assign the participant to another host agency or exit the participant, the GPMS will send you a Task until you place the participant on an approved break.
 2. If a participant is still assigned to a host agency but is going to be uncompensated for a break in his or her standard work week that lasts longer than three days, you should place the participant on an approved break. If the participant is uncompensated for an entire quarter, i.e., has no CSA or training hours recorded for that quarter, a future release of the GPMS will send you a Task until the participant is put on an approved break.
 3. Except in the special circumstances noted above, participants who will be compensated (either by pay or by being allowed to make up the lost time) for lost work time (including time lost due to a federal holiday or necessary sick leave) should not be placed on approved break since they are still assigned to a host agency and will receive compensation. Any participant who works what the grantee defines as the standard work week or will ultimately be compensated for the standard work week does not experience a break in participation at all.
 4. Participants can and should be placed on approved break for administrative reasons if the grantee puts them on non-pay status. For example, if a participant fails to show up at the host agency in violation of the grantee's attendance policy and fails to respond to the grantee's efforts to determine the participant's status, the grantee may close the host agency assignment as of the last day of work, put the participant on administrative leave, and begin the termination process under the grantee's termination policy. Similarly, if the grantee is compelled to remove the participant from the host agency for misconduct

IV. APPROVED BREAKS

and does not assign the participant to another host agency, the participant should be put on break for administrative reasons pending final action.

1.d *Participant on worker's compensation; right to reinstatement*

- Grantees are required by Section 504 of Title V and Section 641.565(b)(1)(iii) of the SCSEP regulations to provide workers' compensation coverage for all participants. Legally, whether the participant is entitled to be restored to his or her host agency position is a matter of state workers' compensation law. Under state law, a worker may be entitled to reinstatement to his or her original job if it is still available. If it is not available, the worker may be entitled to another suitable and available position. Grantees should check with the relevant state officials or their own attorney to determine their obligations under state law.
- Assuming no state law issues, SCSEP policy requires grantees to make every effort to return an injured participant who has been released by his or her doctor to the prior host agency assignment if it is still available and appropriate to the participant's needs, or to another appropriate assignment with the same host agency or with a different host agency if the original assignment is no longer available or appropriate. The IEP should be updated to reflect the participants' status, capacity, and employment goals at the time the participant is able to return to work.
- Grantees should have a written policy governing breaks in participation that is approved as part of their grant application. The policy should cover leaves for personal reasons and sick leave. The policy should also spell out participants' entitlement to reinstatement following a worker's compensation injury or illness. Grantees may not include in their policies any provisions that would deny injured participants the right to appropriate reinstatement.
- Since the GPMS allows grantees to record multiple breaks in participation, the best way to handle a participant on long-term worker's compensation leave is to put the participant on an approved break in participation. This will not have adverse consequences for the grantee or the participant because the time spent on approved break does not count against the average project duration or the individual participant durational limit. If, after a reasonable period as set forth in the grantee's policy (for example, 90 days for a worker's compensation leave), there is no indication of when the participant will be released to work, the grantee could fill the position with a new enrollee, leaving the participant on approved break. When the participant is released, he or she would be reassigned to a host agency immediately or as soon as there are sufficient funds available. Since the participant would not lose his or her status as a participant, there would be no need to put the participant on the waiting list and go through a re-enrollment process. This approach is consistent with SCSEP policy and fully protects the rights of participants without tying the hands of the grantee.
- Of course, a participant on indefinite leave can always choose to voluntarily terminate, especially if the grantee policy provides for re-enrollment if the participant is ultimately released by his or her doctor and is otherwise eligible.

1.e *Participants for whom no host agency assignment is suitable*

- Since SPARQ allows grantees to record multiple breaks in participation, termination where the grantee cannot find a suitable host agency is not necessary or appropriate. If the participant is at fault and thus cannot remain at the host agency due to his or her actions or

IV. APPROVED BREAKS

behavior, the participant can be terminated for cause under an approved grantee policy. This would include disruptive, insubordinate, abusive, or similar behavior.

- On the other hand, if the participant is not at fault but has difficult personal circumstances to accommodate, the participant can be placed on an approved break while the grantee attempts to identify an appropriate host agency assignment. After a reasonable effort, the grantee may fill the participant's position while leaving the participant on approved break and continuing to look for an appropriate assignment. Once an appropriate assignment is located, the participant can be reassigned. This will not have adverse consequences for the grantee or the participant because the time spent on approved break does not count against the average project duration or the individual participant durational limit.
- Of course, if it appears that no appropriate host agency will be forthcoming, the participant can always choose to exit for personal reasons. These are rare situations so having the participant on approved break should not prove burdensome to the grantee.

V. TRAINING AND SERVICES

V. TRAINING AND SERVICES

1. Education and Training, Type, 12.3

1.a *How long a participant must be in community service before receiving specialized training?*

- OWB 04-04 requires that participants be assigned to community service before they receive any training. The key is that the participant be properly enrolled in the program, which means that he or she needs and can benefit from community service in order to become job-ready. To enroll individuals, put them directly into training, and then place them violates the requirements of the program. The participant needs to be enrolled long enough for you to determine the need for specific training and the ability to benefit from it. Note also that you must have approval for specialized training in your grant agreement or a modification to the agreement. General training, such as an introduction to computers, can be provided immediately after a participant is assigned to community service.

1.b *Participant's community service status when assigned to training only or working reduced hours in community service*

- A participant must remain assigned to a host agency in order to receive any SCSEP services, including training. If the sub-grantee wishes to provide training to a participant between host agency assignments, it should reassign the participant to a new host agency before sending the participant to training. If the grantee is unable to make an appropriate assignment before the training begins, then it must leave the participant assigned to the first host agency and reassign the participant to a new host agency upon the completion of training.
- The participant does not have to be actually working at the host agency at the time of the training. You may leave the participant assigned to her original host agency while the participant is in training even if the host agency is not willing to let the participant work reduced hours or to hold the position open until the training is concluded. If you do so, you would end the original host agency assignment on the date the training ends. You would then need to assign the participant to a new host agency. Alternatively, you can assign the participant to a new host agency now (ideally one that will let the participant work reduced hours while in training) and close the original host agency assignment. You cannot put the participant in training if the participant is not assigned to a host agency.

1.c *Paid training and community service hours*

- You may pay participants wages while they are in training regardless of whether WIOA or some other workforce partner provides the training, or the sub-grantee uses its funds for the training. If the training is considered to be required, e.g., is in the IEP, you or a workforce partner must pay wages.
- To receive training, a participant must be assigned to community service; however, there is no requirement that the participant be working at the host agency for any minimum number of hours during the training. Under the current guidance, OWB 04-04, the maximum number of hours for which the participant can be paid for training, or for a combination of training and community service, is 40 hours per week. (See topics in [Section VI.3](#) below). This limit may change when DOL issues the new TEGLs on OJEs and additional training.

V. TRAINING AND SERVICES

1.d *Co-enrollment in FEMA training course*

- A FEMA-sponsored training course should not have any impact on eligibility. If it is considered an employment and training course and is made part of the participant's IEP, it can be treated as partner-provided training, and the income received from FEMA would not be counted at recertification. If the training is full-time, the participant could remain enrolled at his or her community service assignment but would not receive SCSEP wages while receiving FEMA income. If the training is part-time, the combined total of paid CSA hours and FEMA hours should not exceed 40.

2. OJE, field 12.3

2.a *OJEs are not placements*

- An OJE is a type of training, paid for with program funds, with unsubsidized employment expected at the end of the training. The OJE itself is not a placement. A participant remains enrolled in the program during an OJE and does not exit. The performance measures are not implemented until the OJE ends, the employer has hired the participant, and the participant has exited. The start work date on the Unsubsidized Employment Form should be the first day on the employer's payroll after the OJE has ended and the participant has exited.

2.b *Using OJEs to transition participants to unsubsidized employment*

- Many participants are unsure of their job skills and are reluctant to leave the program for unsubsidized employment without some sort of safety net. The regulations do not permit participants to work part-time while enrolled, even if the job is designed to transition them to complete unsubsidized employment. Participants must be unemployed while they are enrolled in the program. However, the transition to unsubsidized employment can be addressed through an OJE. OJEs are designed to give both the participant and the employer a trial period and to provide additional training to ensure the success of the unsubsidized employment.
- Under OWB 04-04, the participant may have a combined total of 40 hours per week in community service and OJE employment for up to 12 weeks. The participant remains enrolled in the program and can receive wages for community service while working part-time for the employer. Grantees can also reduce the community service hours as the hours of employment increase. Grantees must obtain approval for OJEs in their grant before they can create OJEs.
- The transition to unsubsidized employment can also be facilitated by the right of return. See the topic in the Appendix to the module on exits. The right of return is designed to encourage participants to try unsubsidized employment when they may have doubts about their ability to succeed. If a participant exits the program for unsubsidized employment and does not work for a total of 30 days, you may bring the participant back into the program within 90 days of exit as though he or she had never left. If the job does not work out, the participant can come back into the program and obtain the skills and self-confidence needed to be successful in a new placement

V. TRAINING AND SERVICES

2.c *OJE with different department of existing host agency*

- The plain language of the OWB precludes your entering into an OJE contract with an existing host agency regardless of what department the OJE would be in. The rule for creating multiple host agencies out of a single "parent" host agency was created for a different purpose and has nothing to do with OJE's. The OWB rule is designed to ensure that there is no confusion about the role of host agencies and their obligations to participants. You should be able to fashion a flexible assignment with the host agency so that the purpose it wanted to serve through the OJE can be achieved through the assignment.

2.d *Recording paid OJE hours*

- OJE wages may be paid by either the sub-grantee or the employer. If paid by the sub-grantee using the regular payroll, they should be listed as paid training. If paid by the employer, they should not be listed as paid training. When the sub-grantee reimburses the employer for OJE wages, the sub-grantee must use a form of payment, e.g., purchase order, that is outside of the participant payroll system. In that situation as well, the OJE hours are not included in the fields for paid training.
- Note: Pursuant to OWB 04-04, you will need to track the number of weeks in OJE to make sure that they are within the limit allowed for the method of payment you have selected.

VI. PAID HOURS

VI. PAID HOURS

1. Paid Hours

1.a *Federal holidays*

- The 2006 amendments to the OAA provide that grant funds can only be used for specified fringe benefits, including compensation for scheduled work hours during which a host agency's business is closed for a federal holiday.
- Grantees may choose to pay wages for the federal holiday or allow the participant to reschedule the lost hours to a day when the host agency is open.

1.b *Uniform application of benefits; compensation as pay or rescheduled time*

- Regardless of the structure they use for delivering services at the local level, grantees are responsible for meeting the terms of their grant and for ensuring compliance with all SCSEP program rules, policies, and procedures. Grantees are specifically responsible for ensuring that rules regarding benefits are applied uniformly to all participants.
- To provide grantees maximum flexibility in designing benefit programs, the regulations permit each grantee to determine whether "compensation" for federal holiday leave and for necessary sick leave will be paid or in the form of rescheduled work time. DOL has determined that the grantee may establish a uniform policy throughout the grant, or it may allow each of its sub-recipients to determine the nature of the compensation for holiday and sick pay. The decision about whether to allow local choice rests solely with the grantee, subject to these conditions:
 1. At both the grantee and sub-recipient level, the options are limited by the regulation to pay or making up lost time. No other options are permissible. Whatever the form of the "compensation," it is only required under the regulation if the host agency is closed for a federal holiday and the participant cannot work for that reason.
 2. Regardless of whether the grantee or the sub-recipient decides the form of the compensation, sub-recipients must apply the policy uniformly to all participants in their project.
 3. Grantees must ensure that sub-recipients follow the approved policy and apply it uniformly. That includes proper notice to participants in orientation and handbook materials.

1.c *Paying participants who work beyond their durational limit date*

- The SCSEP statute and regulations require that grantees/sub-grantees pay participants for all work performed at the host agency. Grantees are required to have systems in place to ensure that all participants who are approaching their durational limit are identified in a timely manner and are properly granted an extension, if eligible, or are given a transition plan and are properly exited. The GPMS has tools that were designed specifically for this purpose. If the grantee/sub-grantee, through its own negligence, failed to exit the participant on time, or, through miscommunication with the host agency, allowed the participant to work at her community service assignment after she was exited, you are required to pay wages for the time actually worked. If the host agency was negligent or acted in violation of its agreement

VI. PAID HOURS

with you, you may have recourse against the host agency, but that is a matter between you and the host agency.

- Although the payment of participant wages is an allowable cost, grantees are not supposed to incur costs for serving individuals who are no longer eligible. Therefore, depending on the circumstances, the additional wages that you pay to participants who have exceeded their durational limit may constitute disallowed costs.

1.d *OJE or other paid training after durational limit date*

- Older Worker Bulletin 04-04, which governs training provided to participants, states that only eligible SCSEP participants may receive an OJE. Participants must remain assigned to a host agency while the training takes place. An OJE may not extend beyond, or be initiated after, the actual exit or the durational limit date, whichever is sooner. The same is true for other forms of paid training. An exception is allowed where the participant has qualified for an extension of the durational limit under the grantee's policy and the extension is entered into the GPMS on or before the durational limit date.

1.e *Can SCSEP wages be garnished?*

- Nothing in federal law precludes garnishment of Title V wages. It is solely a matter of state law whether, and to what extent, SCSEP wages can be garnished in a state legal action.
- The IRS has garnished SCSEP wages with DOL's knowledge, and DOL has not raised legal objections. The amount of the garnishment may vary depending on state law.

1.f *How to determine paid hours*

- If your time sheets or payroll system tracks hours actually spent in each of the six types of paid hours listed in fields 15.1-15.6, you should use these hours directly without deriving them from the pay checks and include these hours in the quarter in which they were earned. You are permitted to use the date of payment method described in the next bullet if it is easier for you. However, there are circumstances where the payment method may result in your not receiving full credit for hours worked.
- For each quarter, enter the total number of hours for which the participant was paid wages as determined from the sub-grantee's wage records. To determine hours paid in the quarter, you may use all pay checks issued in the quarter even if the pay period extends into a different quarter. Any inaccuracy in reporting that this method causes will be balanced out during the course of the year. To accommodate the possibility that a pay period may extend into another quarter, the GPMS will permit you to enter hours in the quarter after the quarter in which the participant ended the community service assignment. However, if the participant's last day in an assignment is near the end of a quarter and the final paycheck is issued in the subsequent quarter, internal QPR field for percent of participants working 18-22 hours per week may not give you credit for the final hours represented by that last paycheck.
- Do not make any deduction for fringe benefits paid. Do not include any hours in the six types of paid hours fields except PRA activity, grantee-paid training, and paid sick leave.

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- Enter this information only at the end of each quarter. You may use the administrative function for paid hours to view or enter all hours for all participants active during the specified current or previous program year
- The total hours paid in the quarter will be calculated by the GPMS as the sum of PRA hours, paid hours in community service, paid training hours, and paid sick leave. Be sure to validate the total paid hours against your payroll records.
- You may enter time in whole hour increments. Use normal rounding rules: Anything .5 or higher is rounded up; anything less than .5 is rounded down.
- Data validation is required for this element. The DV eligibility sample is designed to validate only one assignment (the one with the earliest assignment date) per record in order to minimize the burden on grantees. See the instructions on the first page of Section IV and the Notes for Form Number A19 in Section IV of the Data Validation Handbook. The header for the worksheet lists the assignment date for the record. You should only validate the total hours paid (and any other fields selected for DV for that record) for that specific assignment. As long as the case file has documentation of the hours for the selected assignment, the element should pass data validation.

1.g *Entering total paid hours into a participant's individual record when the participant has two different assignments in the same quarter*

- Each host agency assignment requires a separate assignment record for each host agency in which the participant was assigned in the quarter, and even a separate assignment record if participant had two assignments with the same host agency in the same quarter. The record for one assignment does not include data from any other assignment. Therefore, if you are entering hours for a single participant record, you list in fields 15.1-15.6 the hours worked solely at that host agency during a given quarter. If the participant worked at a second host agency during the same quarter, you enter the hours worked at the second host agency in fields 15.1-15.6 for the second host agency. You do not combine hours and enter them on a single assignment record..
- If you are entering hours through the bulk-entry utility, all host agencies and all assignments at which a participant worked during a specific quarter will be listed.

2. Paid Training, fields 15.2/15.3

2.a *When training is considered grantee-required*

- If you specify in the IEP that the participant will definitely take training, it is considered grantee-required. (You can always list training that you discussed with the participant and that the participant may take at some point without yet causing that potential training to be grantee-required.) If you do not want to pay for training because you do not believe that it is essential, you should not list it in the IEP. If the participant nonetheless decides to take this training on his or her own, you may modify the IEP after the fact to reflect that, in addition to the required training, the participant also completed other training.
- If job search training is provided as part of other required training, such as general job readiness, you must pay wages for the training. That does not mean that you have to pay for the actual job search component. For example, if the grantee requires that participants attend

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a training course for 3 hours each week and also spend 3 hours each week seeking employment with the new skills they are learning or that they contact a minimum of 3 prospective employers each week, the 3 hours spent in the class would be paid, but the time spent looking for work would not have to be paid. Note, however, that you may pay for pure job search activity even though you are not required to.

- You cannot avoid paying wages for required activities by paying the participant for required training but also allowing or compelling the participant to work without pay at the community service assignment. However, in the negotiation of the IEP, you could agree that the participant would be on an unpaid leave of absence from the host agency while the participant attended classes. As long as the participant remains assigned to community service, even if on an approved break in participation, you can pay for the training.

2.b *Effect of paid training on performance measures*

- In the GPMS, both paid training and hours in community service are entered separately, and grantees will not be penalized in the performance measures for providing paid training. Since the national office is encouraging the appropriate use of training, the community service measure does not include paid training in the denominator or the numerator, thus holding grantees harmless for any training provided.

2.c *Recording paid OJE hours*

- OJE wages may be paid by either the sub-grantee or the employer. If paid by the sub-grantee using the regular payroll, they should be listed as paid training. If the sub-grantee reimburses the employer for OJE wages, the sub-grantee must use a form of payment, e.g., purchase order, that is outside of the participant payroll system. In that situation, as well, the OJE hours are included in the fields for paid training. If the wages are paid solely by the employer, they should not be listed as paid training.
- Note: Pursuant to OWB 04-04, you will need to track the number of weeks in OJE to make sure that they are within the limit allowed for the method of payment you have selected.

3. CSA Hours, fields 15.4/15.5

3.a *Required number of hours in community service each week*

- There is no rule governing how many hours a participant must work in community service each week. However, the cost per position is based on 21 hours of community service per week, and the national office expects that you provide everyone approximately 20 hours per week. The community service measure uses 21 hours per week in the calculation of the denominator; and the internal QPR reports the percentage of participants who work 18-22 hours per week in community service (20 hours per week, with a margin of 10% in either direction).
- There is no limit on the number of hours a participant can work in community service in a year. However, by regulation, the national office considers 1300 hours per year (calculated from the date of enrollment) to be a good benchmark and encourages grantees to stay within it. Since positions are allocated to grantees based on 21 hours per week per participant, you cannot exceed the 1300-hour limit without over-spending your grant, leaving some positions unfilled, or providing some participants fewer than 20 hours per week.

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- If you provide more than 20 hours per week, you will not be able to serve the number of participants required because you will not have enough money. If you provide fewer hours, participants may not get the training they need or enough wages to support themselves.

3.b *Limit on number of hours for community service and paid training*

- The amount of paid community service and training that a participant can receive each week is limited. Because the statute defines community service as part-time employment, paid time must be less than 40 hours each week. (The GPMS permits the entry of up to 560 hours per quarter but provides a warning when more than 325 hours per quarter are entered.)
- DOL strongly discourages providing participants additional hours of community service beyond the norm of 20 hours per week because doing so deprives other eligible seniors of the opportunity to participate in the program.
- The national office has stated that the limits on OJE training contained in OWB 04-04 applies to all paid training. Paid training may not exceed 40 hours a week. If the participant is in both community service and paid training, the total hours paid per week for both may not exceed 40 hours.
- All training must be described and approved in the grant agreement. The details are listed in the OWB. As a practical matter, because funds for training are so limited, you will need to set reasonable limits so that your resources are not exhausted by just a few participants.

3.c *Reduction in hours or “layoff” of participants due to insufficient funds*

- The general rule is that all participants must be treated equally. Any reduction of hours must be uniform within a sub-grantee, but there may be differences among sub-grantees for the same grantee based on funding and enrollment levels. Any reduction in hours within a sub-grantee must apply proportionately to participant staff as well as regular participants.
- If a lack of funds necessitates a substantial reduction in CSA hours, grantees should notify their FPO and the national office. In no case may participants be “laid off” without consultation with the FPO and the national office at the earliest time there is a concern about sufficient funding.

3.d *Can a host agency pay for additional hours?*

- Wages for CSA work are the sole responsibility of the grantee/sub-grantee, not the host agency. The host agency cannot supplement the wages that participants receive from the sub-grantee. That would be improper employment of participants. Nor can participants “volunteer” to work additional hours at the host agency beyond those hours compensated by the sub-grantee even if the participants work in a different capacity.
- The host agency may directly cover additional training or related costs for its participants, including supportive services, as long as it does so uniformly and consistent with the grantee’s/sub-grantee’s policies. The host agency can also make a truly voluntary contribution of non-federal funds to the grantee that could be used by the sub-grantee to increase hours or to minimize a reduction in hours for all participants within the sub-grantee. That means that the participants of the host agency would benefit to some extent from the contribution but no more than everyone else in the sub-grantee. In other words, the host

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agency cannot buy an increase in hours for its own participants only. Any such voluntary contribution should be reflected in the grantee's budget and counted toward the non-federal match.

- Maintenance of effort and related issues are always lurking in these situations. Making payments to the grantee could look as though the host agency is trying to buy a number of slots for work that is essential to its operation. Host agencies are not permitted to do that.

3.e *Paid training and community service hours*

- You may pay participants wages while they are in training regardless of whether WIOA or some other workforce partner provides the training, or the sub-grantee uses its funds for the training. If the training is considered to be required, e.g., is in the IEP, you or a workforce partner must pay wages.
- To receive training, a participant must be assigned to community service; however, there is no requirement that the participant be working at the host agency for any minimum number of hours during the training. Under the current guidance, OWB 04-04, the maximum number of hours for which the participant can be paid for training, or for a combination of training and community service, is 40 hours per week. This limit may change when DOL issues the new TEGLs on OJEs and additional training.