

DLWD Program 6 – Senior Community Service Employment Program

I. PROGRAM OBJECTIVES

The Senior Community Service Employment Program (SCSEP) is federally funded program authorized under title V of the Older Americans Act (OAA), 42 U.S.C. 3056 et seq., as amended by the Older Americans Act Reauthorization Act of 2016, Public Law 114-144 (Apr. 19, 2016). The purposes are to foster individual economic self-sufficiency and promote useful part-time opportunities in community service assignments for unemployed low-income persons who are 55 years of age or older, particularly persons who have poor employment prospects, and to increase the number of older persons who may enjoy the benefits of unsubsidized employment in both the public and private sectors. (OAA § 502(a)(1)). In Alaska, the program is known as Mature Alaskans Seeking Skills Training (MASST).

II. PROGRAM PROCEDURES

To allot program funds for use in Alaska, the Department of Labor and Workforce Development (DOLWD), Division of Vocational Rehabilitation (DVR) awards, administers, and manages the day-to-day operations of grant and contract supported activities. Program grants are awarded to eligible public and private nonprofit entities other than political parties (Section 506 of the Older Americans Act) and monitoring their performance is necessary to ensure that funds are used for allowable costs in accordance with Federal requirement. The program year is July 1 to June 30.

Source of Governing Requirements

SCSEP is authorized by the Older Americans Act (OAA) of 1965, as reauthorized by Pub. L. No. 114-144 Older Americans Act Reauthorization Act of 2016 (OAA-2016). OAA implementing regulations are published at 20 CFR Part 641.

III. COMPLIANCE REQUIREMENTS

Alaska Workforce Investment Board (AWIB) grant unit staff focus specifically on the financial management systems that relate to budgets, cash management, program income, cost allocation, allowable costs, internal controls, and financial reporting. If further review of any of these systems is necessary based on findings, they will obtain copies of the documents relevant to the findings to share with review staff as appropriate. Federal uniform administrative requirements for grant awards require monitoring to be conducted to ensure sound financial management and program activities are in line with statute, legislative, and other funding source intent. AWIB staff conducts an annual monitoring of SCSEP subrecipient's compliance with the DOLWD uniform administrative requirements, as required by 2 CFR Part 200 and 2 CFR Part 2900.

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Financial monitoring consists of a review of the following elements to:

- provide fiscal control and accounting procedures to permit timely preparation of required reports;
- permit the tracing of funds to establish that funds have been used in accordance with fund restrictions;
- demonstrate compliance with cost limitations and proper classification of costs;
- provide the proper allocation of costs by adopting consistently applied methods that reflect a reasonable relationship for cost-benefit;
- demonstrate compliance with insurance, procurement, property management, and other requirements referenced in the grant agreement.
- provide staff and sub-recipients ample opportunities to bring their own professional judgments and experience to the process;
- recognize the positive practices of the organization being reviewed;
- offer efficient and effective technical assistance when issues of potential non-compliance are identified;
- allow sufficient time for corrective action, if necessary; and
- ensure implementation through follow-up.

A. Activities Allowed or Unallowed

1. Activities Allowed

a. Allowable activities include but are not limited to: (1) outreach, (2) orientation, (3) assessment, (4) counseling, (5) classroom training, (6) job development, (7) community service assignments, (8) payment of wages and fringe benefits, (9) training, (10) supportive services, and (11) placement in unsubsidized employment.

b. Costs of participating as a required partner in Alaska Job Center Network (AJCN) formerly known as One-Stop Career Centers or America Job Center established in accordance with section 134(c) 121(b) of the Workforce Innovation and Opportunity Act (WIOA) of 2014 (Pub. L. No. 113-128) are allowable, as long as SCSEP services and funding are provided in accordance with the Memorandum of Understanding required by WIOA and section 502(b)(1)(O) of the OAA (20 CFR section 641.850(d)).

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c. SCSEP funds may be used to meet a recipient's or subgrantee's obligations under section 504 of the Rehabilitation Act of 1973, as amended, the Americans with Disabilities Act of 1990, and any other applicable federal disability nondiscrimination laws to provide accessibility for individuals with disabilities (20 CFR section 641.850(f)).

2. Activities Unallowed

a. Legal expenses for the prosecution of claims against the federal government, including appeals to an administrative law judge, are unallowable (20 CFR section 641.850(b)).

b. In addition to the prohibition contained in 29 CFR Part 93 and 2 CFR section 200.450, SCSEP funds cannot be used to pay any salaries or expenses related to any activity designed to influence legislation or appropriations pending before the US Congress or any state legislature (29 CFR section 641.850(c)) and 2 CFR section 200.450.

c. SCSEP funds may not be used for the purchase, construction, or renovation of any building except for the labor involved in minor remodeling of a public building to make it suitable for use for project purposes; minor repair and rehabilitation of publicly used facilities for the general benefit of the community; and minor repair and rehabilitation by participants of housing occupied by persons with low incomes who are declared eligible for such services by authorized local agencies (20 CFR section 641.850(e)).

B. Eligibility

1. Eligibility for Individuals

Persons 55 years or older whose family is low-income (income does not exceed the low-income standards defined in 20 CFR section 641.507) are eligible for enrollment (20 CFR section 641.500). Low income means an income of the family which, during the preceding six months on an annualized basis or the actual income during the preceding 12 months (whichever method is more favorable to the individual) is not more than 125 percent of the poverty levels established and periodically updated by the US Department of Health and Human Services (42 USC 3056p). The poverty guidelines are issued each year in the Federal Register and the Department of Health and Human Services maintains the poverty guidelines at <https://aspe.hhs.gov/poverty-guidelines>.

Enrollee eligibility is redetermined on an annual basis (20 CFR section 641.505).

2. Eligibility for Group of Individuals or Area of Service Delivery

Not Applicable

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3. Eligibility for Subrecipients

Not Applicable

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C Matching, Level of Effort, Earmarking

1. Matching

The grantee must contribute matching, in cash or in-kind, of not less than 10 percent of the total cost of the project, except that the federal government may pay all costs of any project that is:

- a. an emergency or disaster project; or
- b. a project located in an economically depressed area as determined by the secretary of Labor in consultation with the secretary of Commerce and the director of the Office of Community Services of the Department of Health and Human Services; or
- c. a project which is exempt by law (42 USC 3056(c)).

2. Level of Effort

2.1 Level of Effort – Maintenance of Effort

Not Applicable

2.2 Level of Effort – Supplement Not Supplant

Employment of an enrollee shall be only in addition to budgeted employment which would otherwise be funded by the grantee, subrecipients, or host agencies without assistance from the Act and shall not result in employee displacement (including persons in lay-off status) or substitute project jobs for contracted work or other federal jobs (20 CFR section 641.844).

3. Earmarking

The amount of federal funds expended for enrollee wages and fringe benefits shall be no less than 75 percent of the grant (20 CFR section 641.873) except in those instances in which a grantee has requested, and DOL has approved such request, to use not less than 65 percent of the grant funds to pay for participant wage and fringe benefits so as to use up to an additional 10 percent of grant funds for participant training and supportive services (42 USC 3056(c)(6)(C)(i)).

The amount of federal funds expended for the costs of administration during the program year shall be no more than 13.5 percent of the grant (20 CFR section 641.867(a)). A waiver of this requirement to increase administrative expenditures to 15 percent may be granted by the secretary of labor (20 CFR section 641.867(b)).

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Grantees are required to negotiate their share in the infrastructure cost with required local partners in accordance with the Workforce Innovation and Opportunity Act (Final Rule 20 CFR 679.370(k))

D. Reporting

1. Financial Reporting

a. ETA 9130, Financial Report (OMB No. 1205-0461) – All ETA grantees are required to submit quarterly financial reports for each grant award they receive. Reports are required to be prepared using the specific format and instructions for the applicable program(s); in this case, Older Worker Program. Reports are due 45 days after the end of the reporting quarter.

Financial data is required to be reported cumulatively from grant inception through the end of each reporting period. Additional information can be accessed at <http://www.doleta.gov/grants/> and scroll down to the section on Financial Reporting. See TEGL 02-16 for specific and clarifying instructions about the ETA 9130 http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5156.

ETA requires that recipients of Federal awards report on an accrual basis. These changes affect both the ETA-9130 reporting form and its instructions. However, the changes brought about by the Uniform Guidance do not affect the collection burden on recipients, but rather only update certain key terms and definitions. Additionally, with the passage of WIOA, there are numerous new statutory requirements that impact financial reporting, including but not limited to new and/or revised limitations and baselines that require the addition of new reporting line items and modification of existing reporting line items on ETA-9130 Financial Reports. Other reporting line items have been added and/or removed to streamline Federal financial reporting and make the 9130 more closely resemble the SF-425 (OMB 0348-0061) which is the standard financial reporting form for Federal grant recipients.

2. Performance Reporting

a. The grant recipient maintains a performance management system to manage, track, and measure performance and operating goals, indicators, milestones, and expected outcomes that comply with the terms and conditions of the award. The grant recipient adheres to OMB reporting package requirements for the grant awards including accurate, complete, and timely submission of reports that compare actual results to planned results, describes obstacles to achievement of grant objectives, and provides details on corrective actions.

Examine the grant recipient's most recently available performance reports. Compare actual performance with planned performance from the beginning of the grant period through the most recent quarter for each type of performance outcome identified in the grant.

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Quarterly Narrative Reports (QNR) are submitted 45 days after the quarter closes. The most recently submitted QNR should be evaluated based on the actual activities and related results of the project for that period. The submitted narrative report should accurately reflect the current status of the project for the period and the progress to date in meetings its goals and/or objectives and the capacity to use performance data to evaluate and improve the quality of services, including if applicable, reasons why established goals were not met.

ETA-5140, SCSEP Quarterly Progress Report is generated by the department and accessible via the SCSEP Grants Performance Management System online system and via <https://www.dol.gov/agencies/eta/seniors/performance> requires grantees must meet 80 percent of the agreed-upon level of performance for the aggregate of all the core performance measures. Performance in the range of 80 percent to 100 percent constitutes meeting the level for the core performance measures.

Key Line Items – The following line items contain critical information for the QPR:

1. Section E.1 – The number of eligible individuals served. Defined as the total number of participants served divided by a grantee's authorized number of positions, after adjusting for differences in minimum wage among the states and areas.

2. Section E.2 – Hours (in the aggregate) of community service employment. Defined as the total number of hours of community service provided by SCSEP participants divided by the number of hours of community service funded by the grantee's grant, after adjusting for differences in minimum wage among the states and areas. Paid training hours are excluded from this measure.

3. Section E.3 – Most-in-need or the number of participating individuals described in OAA sec. 518(a)(3)(B)(ii) or (b)(2).

Defined by counting the total number of the following characteristics for all participants and dividing by the number of participants served. Participants are characterized as most-in-need if they:

(1) Have a severe disability;

(2) Are frail;

(3) Are age 75 or older;

(4) Meet the eligibility requirements related to age for, but do not receive, benefits under title II of the Social Security Act (42 USC 401 et seq.);

(5) Live in an area with persistent unemployment and are individuals with severely limited employment prospects;

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- (6) Have limited English proficiency;
- (7) Have low literacy skills;
- (8) Have a disability;
- (9) Reside in a rural area;
- (10) Are veterans;
- (11) Have low employment prospects;
- (12) Have failed to find employment after utilizing services provided under title I of the Workforce Innovation and Opportunity Act;
- (13) Are homeless or at risk for homelessness or
- (14) individuals who have been incarcerated within the last 5 years or are under supervision following release from prison or jail within the last 5 years.

4. Section E.4 – The percentage of project participants who are in unsubsidized employment during the second quarter after exit from the project. Defined by the formula: The number of participants who exited during the reporting period who are employed in unsubsidized employment during the second quarter after the exit quarter divided by the number of participants who exited during the reporting period multiplied by 100.

5. Section E.5 – The percentage of project participants who are in unsubsidized employment during the fourth quarter after exit from the project. Defined by the formula: The number of participants who exited during the reporting period who are employed in unsubsidized employment during the fourth quarter after the exit quarter divided by the number of participants who exited during the reporting period multiplied by 100.

6. Section E.6 – The median earnings of project participants who are in unsubsidized employment during the second quarter after exit from the project. Defined by the formula: For all participants who exited and are in unsubsidized employment during the second quarter after the exit quarter: The wage that is at the midpoint (of all the wages) between the highest and lowest wage earned in the second quarter after the exit quarter.

7. Section E.7 – Indicators of effectiveness in serving employers, host agencies, and project participants. Defined as the combined results of customer assessments of the services received by each of these three customer groups.

3. Special Reporting

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a. SCSEP is required to submit to the Department the Annual Equitable Distribution Report (ETA 8705 A and ETA 8705B), for SCSEP positions by census region.

Key Line Items – The following line items contain critical information for ETA 8705A: Equitable Distribution Report (Grantee):

1. Summary of variance – Ensure the numbers in this section of the Equitable Distribution Report are consistent with the numbers/percentages/variance reported in the relevant modified position tables downloadable through the ETA System.
2. Reasons for and significance of the variance – Describe any significant variance and explain the possible reasons for the variance. Detail any challenges that affect your ability to meet and/or maintain ED. Identify if there is a history of noncompliance with ED in any area. Describe any administrative issues, subgrantee structure, or external factors unrelated to ED patterns (e.g., a change of subgrantee, natural disaster) contributing to the problem.
3. Plan to improve ED in your grant during program year – Explain your plans to reduce the variance in your grant during the program year. Provide concrete steps (consolidating positions by county, position swaps, attrition) to fix ED, particularly in difficult to serve areas such as rural counties, counties where there has been a significant historical inequity, and/or areas where there have been recent large increases in numbers of eligible persons.

Key Line Items – The following line items contain critical information for ETA 8705B: Equitable Distribution Report (state):

1. Summary of variance – Ensure the numbers in this section of the Equitable Distribution Report are consistent with the numbers/percentages/variance reported in the Modified Positions by state tables downloadable from the ETA System.
2. Reasons for and significance of the variance – Describe any significant variance and explain the possible reasons for the variance. Detail any collaboration among the state grantee and the national grantees within the state when addressing the variances by county statewide for all grantees. Describe challenges that affect your collective ability to meet and/or maintain ED in each county throughout the state. Identify if there is a history of noncompliance with ED in any area. Describe any administrative issues, grantee/subgrantee structure, or external factors unrelated to ED patterns (e.g., a change of subgrantee, natural disaster) contributing to the problem.
3. Plan to improve ED in your grant during program year – Explain your plans to reduce the variance in your state during the program year. Describe how all SCSEP grantees will collectively work to reduce variances throughout the state. Highlight collaboration between the state grantee and

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the national grantees operating in the state. Provide concrete steps (consolidating positions by county, position swaps, attrition) to fix ED, particularly in difficult to serve areas such as rural counties, counties where there has been a significant historical inequity, and/or areas where there have been recent large increases in numbers of eligible persons.

4. Subrecipient Monitoring

The Alaska Workforce Investment Board (AWIB) staff conducts the financial monitoring and focus specifically on the financial management systems that relate to budgets, cash management, program income, cost allocation, allowable costs, internal controls, and financial reporting. If further review of any of these systems is necessary based on findings, they will obtain copies of the documents relevant to the findings to share with review staff as appropriate.

- a. SCSEP recipients must ensure that organizations that are subrecipients under the Title V of the Older Americans Act and expend more than the minimum level specified in 2 CFR Part 200, Subpart F, have either an organization-wide audit conducted in accordance with 2 CFR Part 200 or a program-specific financial and compliance audit (OAA 502(c)(4)) (including cash management).
- b. Each recipient at a minimum must have a monitoring system which provides an annual on-site monitoring review of subrecipient compliance with DOL uniform administrative requirements, including the appropriate administrative requirements and cost principles for subrecipients and other entities receiving OAA funds. Recipient must ensure that subrecipients follow established requirements of the OAA, SCSEP Regulation, and Employment and Training Administration directives to achieve program quality and outcomes and must require prompt corrective action be taken if any substantial violations are identified as result of annual on-site monitoring.
- c. The recipient may issue additional requirements and instructions to subrecipients on monitoring activities. OMB Control Number 1205-0040 authorizes the collection of the reports mentioned above.

E. References

Division of Finance State of Alaska Audit Guide http://doa.alaska.gov/dof/ssa/audit_guide.html