ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER WIOA NO. 35-14, CHANGE 1 - OPERATING GUIDANCE for the WORKFORCE INNOVATION AND OPPORTUNITY ACT (referred to as WIOA or the Opportunity Act)

TO: NATIONAL FARMWORKER JOBS PROGRAM GRANTEES

FROM: PORTIA WU /s/
Assistant Secretary

SUBJECT: Operating Guidance for National Farmworker Jobs Program (NFJP) Employment and Training and Housing Grantees; with a Clarification on Housing Assistance Services

1. **Purpose.** To rescind the Training and Employment Guidance Letter (TEGL) 35-14 and replace it with TEGL 35-14, Change 1, which clarifies the Department’s policy on providing housing assistance and updates the definition of “emergency assistance.” The remainder of the TEGL provides guidance and planning information to NFJP grantees on the activities associated with the implementation of the Workforce Innovation and Opportunity Act (WIOA).

WIOA became law on July 22, 2014 and supersedes titles I and II of the Workforce Investment Act (WIA) of 1998, and amends the Wagner-Peyser Act and the Rehabilitation Act of 1973. The Departments of Labor and Education published a set of proposed regulations for implementing WIOA through the posting of five Notice of Proposed Rulemaking (NPRMs) documents. These NPRMs were open for public comment until June 15, 2015, and the Federal agencies are reviewing, analyzing and considering all the comments received. The final WIOA rules will be issued in 2016.

To continue implementation prior to issuance of the final rules, a series of WIOA Operating Guidance documents are being issued which inform the workforce system of the important planning and organizational work necessary to comply with the WIOA statutory requirements. The Operating Guidance TEGLs provide a framework for program activities until the publication of the final rules, and this TEGL is one in a series of the WIOA Operating Guidance.

2. **References.** See Attachment.
3. **Background.** WIOA retained the essential purpose and functions of the NFJP program, specifically described in WIOA Section 167. NFJP grantees continue to deliver employment and training services through American Job Centers (AJC), where NFJP remains a mandated partner. NFJP eligibility criteria remains essentially unchanged. Grantees continue to be able to deliver youth services to farmworker youth.

There are new aspects of the NFJP under WIOA. Performance measures for NFJP are updated and will take effect in program year (PY) 2016. “Fish farming labor” is specifically included in the definition of “eligible seasonal farmworker.” NFJP grantees, while still mandated partners in the AJC, are no longer required to participate on Workforce Development Boards, though Boards have the option to include NFJP program representatives in the full committee or subcommittees.

4. **NFJP Grantee Responsibilities.** All NFJP grantees are expected to offer a customer-focused case management approach to providing career services, training, youth services, and related assistance to eligible migrant and seasonal farmworkers (MSFWs). These services must reflect the needs of the MSFW population in the service area and include the services that are necessary to achieve each participant’s employment goals or housing needs. Grantees are responsible for coordinating services; particularly outreach to MSFWs, with the State Workforce Agency and the State’s Monitor Advocate.

In local workforce areas where the grantee operates its NFJP as described in its grant agreement, the grantee is a required one-stop partner. The grantee and Local Workforce Development Board must develop and enter into a Memorandum of Understanding (MOU) which sets forth their respective responsibilities for providing access to the full range of NFJP services through the one-stop system to eligible MSFWs. All one-stop partners have certain responsibilities that will be described in forthcoming guidance. As a one-stop partner, NFJP is responsible for these as well, such as signing an MOU with the Local Board, delivering career services, and contributing to the infrastructure cost of the one-stops in which they deliver services. Housing Assistance grantees are specifically responsible for providing housing assistance to eligible MSFWs.

5. **Participant Eligibility.** WIOA Section 167(i) changed the definition of eligible participants in the NFJP. Beginning July 1, 2015, NFJP grantees are expected to begin serving eligible MSFWs as defined in WIOA Section 167(i) and this TEGL.

To qualify as eligible for NFJP services under WIOA Section 167, an individual must be, on the date of application for enrollment an “eligible MSFW” or a “dependent” of an eligible MSFW, as follows:

- **Eligible seasonal farmworker** means a low-income individual who for 12 consecutive months out of the 24 months prior to application for the program involved, has been primarily employed in agricultural or fish farming labor that is characterized by chronic unemployment or underemployment, and faces multiple barriers to economic self-
sufficiency. Dependents of the seasonal farmworker as described in WIOA Section 167(i)(3) are also eligible.

WIOA Section 3(61) also provides that to be considered unemployed, one must be without a job, be available for work and want work. Similarly, underemployed persons are those who are without full-time, year-round work, and who want and are available for full-time, year-round work.

- **Eligible migrant farmworker** means an eligible seasonal farmworker as defined in WIOA Section 167(i)(2) whose agricultural labor requires travel to a job site such that the farmworker is unable to return to a permanent place of residence within the same day; and dependents of the migrant farmworker, as described in WIOA Section 167(i)(2) are also eligible.

- **Eligible MSFW youth** means an eligible MSFW, aged 14-24, who is individually eligible or is a dependent of an eligible MSFW. The term eligible MSFW youth is a subset of the term eligible MSFW.

- **Dependent** means an individual who:
  A. Was claimed as a dependent on the eligible MSFW’s Federal income tax return for the previous year; or
  B. Is the spouse of the eligible MSFW; or
  C. If not claimed as a dependent for Federal income tax purposes, is able to establish:
     1. A relationship as the eligible MSFW’s:
       i. Child, grandchild, great grandchild, including legally adopted children;
       ii. Stepchild;
       iii. Brother, sister, half-brother, half-sister, stepbrother, or stepsister;
       iv. Parent, grandparent, or other direct ancestor but not foster parent;
       v. Foster child;
       vi. Stepfather or stepmother;
       vii. Uncle or aunt;
       viii. Niece or nephew;
       ix. Father-in-law, mother-in-law, son-in-law; or
       x. Daughter-in-law, brother-in-law, or sister-in-law; and
     2. The receipt of over half of his/her total support from the eligible MSFW’s family during the eligibility determination period.

Additionally,
- Male applicants must not have violated Section 3 of the Military Selective Service Act by not presenting and submitting to registration as required. TEGL 11-11 and TEGL 11-11, Change 2 provides Selective Service registration requirements for Employment and Training Administration (ETA) programs funded through WIOA. TEGL 11-11 and Change 2 to TEGL 11-11 implemented the requirements of WIA Section 189(h), and WIOA retains the same requirements. Therefore, NFJP must administer the program in conformity with this TEGL and Change 2.
• NFJP participants that meet eligibility to receive services may include individuals who have been granted relief under the Deferred Action for Childhood Arrivals (DACA) with employment authorization documents. WIOA sec. 188 retains the same requirements as WIA sec. 188 on discrimination against noncitizens. For more information on the eligibility of individuals granted relief under the DACA Initiative, see TEGL 2-14 Eligibility of Deferred Action for Childhood Arrivals Participants for Workforce Investment Act and Wagner-Peyser Act Programs http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7233. NFJP grantees must administer the program in conformity with TEGL 2-14.

**Housing Assistance**  Housing services may only be provided when the services are required to meet the needs of eligible MSFWs to occupy a unit of housing for reasons related to seeking or retaining employment, or engaging in training. Permanent housing (defined in section 7 of this document) developed or renovated with NFJP funds, must be promoted and made widely available to, but occupancy is not restricted to, eligible MSFWs.

**Ineligible Individuals**  Individuals who are ineligible for NFJP, or for whom an alternative program is determined to be more responsive to their needs, should be assisted through services available from other one-stop partner programs for which they qualify. NFJP grantees should be actively working with their one-stop partners in assessing applicants to determine the services that are most appropriate for them.

**Definitions Relevant to Eligibility**

• **Eligibility determination period** means any consecutive 12-month period within the 24-month period immediately preceding the date of application for the MSFW program by the applicant MSFW.

• **Farmwork** means cultivation and tillage of the soil, dairying, production, cultivation, growing, and harvesting of any agricultural or horticultural commodities. This includes the raising of livestock, bees, fur-bearing animals, or poultry, farming of fish, and any practices (including any forestry or lumbering operations) performed by a farmer, or on a farm, as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market, or to carriers for transportation to market. It also includes the handling, planting, drying, packing, packaging, processing, freezing, or grading prior to delivery for storage of any agricultural or horticultural commodity in its unmanufactured state. For the purpose of this section, agricultural commodities means all commodities produced on a farm including crude gum (oleoresin) from a living tree and products processed by the original producer of the crude gum from which they are derived, including gum spirits of turpentine and gum rosin. Farmwork also means any service or activity covered under 20 CFR 655.103(c) and/or 29 CFR 500.20(e) and any service or activity so identified through official Department guidance, such as a Training and Employment Guidance Letter.
For the purposes of the NFJP program, “fish farming labor” includes all occupations included under the following North American Industry Classification System (NAICS) codes:

- 112511 - Finfish Farm and Fish Hatcheries
- 112512 - Shellfish Farming

Other farming that includes “the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities” included under the term “aquaculture” (NAICS code 112519) are also included in the definition of “farmwork.”

- **Lower Living Standard Income Level** means the income level as defined in WIOA Section 3(36)(B). That income level (adjusted for regional, metropolitan, urban, and rural differences and family size) is determined annually by the Secretary of Labor based on the most recent lower living family budget issued by the Secretary.

- **Low-Income Individual** means an individual as defined in WIOA Section 3(36)(A) who:
  A. Receives, or in the past 6 months has received, or is a member of a family that is receiving or in the past 6 months has received, assistance through the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the program of block grants to States for temporary assistance for needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), or the supplemental security income program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or State or local income-based public assistance;
  B. Is in a family with total family income that does not exceed the higher of:
     1. The poverty line; or
     2. 70 percent of the Lower Living Standard Income Level;
  C. Is a homeless individual (as defined in Section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), or a homeless child or youth (as defined under Section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)));
  D. Receives or is eligible to receive a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);
  E. Is a foster child on behalf of whom State or local government payments are made; or
  F. Is an individual with a disability whose own income meets the income requirement of B above, but who is a member of a family whose income does not meet this requirement.

6. **Documenting Eligibility.** Each grantee must maintain an eligibility determination system that enables its staff to generate a record supporting their eligibility determinations and enrollment decisions. This is required to ensure that all persons enrolled are eligible for participation in NFJP.
Grantee staff who interview applicants for the purpose of determining eligibility must make these determinations based on all available information. Those staff should sign a statement of eligibility determination on every completed application. This certification serves to document eligibility and absent such a certification, the grantee does not have a documented record of the applicant’s eligibility.

An applicant’s eligibility determination shall be valid for 60 days from the date of initial application. After that initial 60-day period has elapsed, if the individual is not an enrolled participant, the grantee will update information to re-certify the applicant.

As part of their system of internal controls, grantees are expected to obtain source documentation that verifies the information provided by applicants covering such key eligibility elements as age, work history and earnings from agricultural labor, family size, family income, work authorization, and compliance with the Selective Service requirement for male applicants.

Grantees are required to establish procedures for verifying eligibility information on a scheduled basis. Grantees may use post-enrollment sampling, require 100 percent verification prior to enrollment, or maintain a similar system of internal controls.

7. **Program Services.** The following services may be provided to eligible MSFWs which include the services WIOA requires NFJP to provide:

**Career Services**

- Grantees must provide the career services described in WIOA Sections 167(d) and 134(c)(2) to eligible MSFWs.
- Grantees must provide other services identified in the approved program plan.
- Grantees must provide access to career services through the one-stop delivery system. Grantees can also provide career services through sources outside the one-stop system.
- The delivery of career services to eligible MSFWs by the grantee and through the one-stop system must be discussed in the required MOU between the Local Workforce Development Board and the grantee. We recognize that Local Boards and one-stop partners are updating their MOUs, which were required under WIA and are still required under WIOA. Grantees may continue to operate under existing MOUs until the grantee and the Local Board sign a new MOU.

**Training Services**

- Grantees must provide the training activities described in WIOA Sections 167(d) and 134(c)(3)(D) to eligible MSFWs. These activities include, but are not limited to, occupational-skills training and on-the-job training (OJT). Eligible MSFWs are not required to receive career services prior to receiving training services.
- Training services must be directly linked to an in-demand industry sector or occupation in the service area, or in another area to which an eligible MSFW receiving such services is willing to relocate.
• Training activities must encourage the attainment of recognized postsecondary credentials as defined in WIOA Section 3(52) when appropriate for an eligible MSFW.

ETA continues to encourage grantees to use work-based learning as an effective service strategy to assist jobseekers in entering and advancing along a career pathway, including OJTs and Registered Apprenticeship, among others. Under WIOA, grantees may always reimburse employers for the extraordinary costs of training by up to 50 percent of the wage rate of the participant for OJT (WIOA Section 3(44)). Grantees may also increase the OJT reimbursement rate up to 75 percent of the wage rate of a participant under certain conditions when considering:

• The characteristics of the participants;
• The size of the employer;
• The quality of employer-provided training and advancement opportunities; and
• Other factors as appropriate, which may include the number of employees participating in the training, wage and benefit levels of those employees (at present and anticipated upon completion of the training), and relation of the training to the competitiveness of a participant.

Youth Services
• Based on an evaluation and assessment of the needs of eligible MSFW youth, grantees may provide activities and services that include but are not limited to:
  o Career services and training as described above;
  o Youth workforce investment activities specified in WIOA Section 129;
  o Life skills activities which may include self- and interpersonal skills development;
  o Community service projects; and
  o Other activities and services that conform to the use of funds for youth activities described in WIOA Section 129.
• Grantees may provide these services to any eligible MSFW youth, regardless of the participant’s eligibility for WIOA Title I youth activities as described in WIOA Section 129(a).

Related Assistance   Related assistance may include short-term direct services and activities. Examples include activities identified in WIOA Section 167(d), such as: English language and literacy instruction; pesticide and worker safety training and housing (including permanent housing), as provided in the approved program plan; and school dropout prevention and recovery activities, and emergency assistance.

Emergency assistance is a form of “related assistance” and means assistance that addresses immediate needs of eligible MSFWs and their dependents, provided by grantees. An applicant's self-certification is accepted as sufficient documentation of eligibility for emergency assistance. Grantees must take into account the degree to which the assistance would assist eligible MSFWs retain or stabilize their agricultural employment. If an applicant
receives any other NFJP funded services in addition to emergency services, the grantee must
document all eligibility components through appropriate support materials.

Grantees may provide related assistance to eligible MSFWs not enrolled in career services,
youth services, or training services. Related assistance is distinct from “supportive services”
as defined in WIOA Section 3, which means “services such as transportation, child care,
dependent care, housing, and needs-related payments that are necessary to enable an
individual to participate in activities authorized under this Act.” Related assistance may be
provided to eligible MSFWs who are not otherwise participating in activities authorized
under this Act such as career services, youth services, or training services. Grantees may
provide eligible MSFWs related assistance services when the grantee identifies and
documents the need for the related assistance, which may include a statement by the eligible
MSFW.

Housing Services  Housing grantees must provide safe and sanitary housing services to
eligible MSFWs. Career services and training grantees may provide housing services to
eligible MSFWs as described in their program plan.

Housing services include the following:

- Permanent housing that is owner-occupied, or occupied on a permanent, year-round
  basis (notwithstanding ownership) as the eligible MSFW’s primary residence to
  which he/she returns at the end of the work or training day. Types of permanent
  housing may include rental units, single family, duplexes, and other multi-family
  structures, dormitory, group homes, and other housing types that provide short-term,
  seasonal, or year-round housing opportunities in permanent structures. Modular
  structures, manufactured housing, or mobile units placed on permanent foundations
  and supplied with appropriate utilities, and other infrastructure are also considered
  permanent housing.

  Permanent housing services include, but are not limited to: investments in
development services, project management, and resource development to secure
acquisition, construction/ renovation and operating funds, property management
services, and program management. New construction, purchase of existing
structures, and rehabilitation of existing structures, as well as the infrastructure,
utilities, and other improvements necessary to complete or maintain those structures
may also be considered part of managing permanent housing.

- Temporary housing that is not owner-occupied and is used by MSFWs whose
  employment requires occasional travel outside their normal commuting area. Types
  of temporary housing may include: housing units intended for temporary occupancy
  located in permanent structures, such as rental units in an apartment complex or in
  mobile structures that provide short-term, seasonal housing opportunities; temporary
  structures that may be moved from site-to- site, dismantled and re-erected when
  needed for farmworker occupancy, closed during the off-season, or handled through
other similar arrangements; and off-farm housing operated independently of employer interest in, or control of, the housing, or on-farm housing operated by a nonprofit, including faith-based or community non-profit organizations, but located on property owned by an agricultural employer.

Temporary housing services include, but are not limited to: managing temporary housing, which may involve property management of temporary housing facilities, case management, and referral services, and emergency housing payments, including vouchers and cash payments for rent/lease and utilities.

Housing services may only be provided when the services are required to meet the needs of eligible MSFWs to occupy a unit of housing for reasons related to seeking or retaining employment, or engaging in training.

8. **Applicable Performance Measures** The WIOA performance accountability system and corresponding primary indicators of performance become effective July 1, 2016 (WIOA Section 506(b)(1)). ETA will provide separate guidance, a TEGL, on implementing the WIOA performance accountability system and primary indicators of performance for NFJP grantees in PY 2016.

In PY 2015, NFJP grantees will continue to be evaluated on the following common performance measures used for accountability purposes for WIA-authorized programs:

- Entered Employment Rate;
- Employment Retention Rate; and
- Six-months Average Earnings.

To help facilitate the transition from WIA to WIOA, the Department will use the established PY 2014 performance goals for each grantee as the PY 2015 goals. See WIOA Section 503(b). Grantees may request re-negotiation for PY 2015 as described in TEGL No. 24-14.

Under WIA, eligible MSFWs who received “related assistance only” (RAO participants), and no additional NFJP-funded services, were excluded from the calculations for performance measure outcomes. In PY 2015, as part of the transition year, ETA will continue to exclude RAO participants when calculating grantee performance measure outcomes. However, ETA will use administrative data to calculate the common measure outcomes for RAO participants where data exists. At a minimum, this data analysis will provide some baseline information on the relative impact of inclusion of related assistance services on overall NFJP performance measures. In the transition year, ETA will evaluate how RAO participant outcomes are tracked, reported, and included in the performance accountability system under WIOA.

9. **Reporting Outcomes** The Department will utilize the current program and fiscal reporting forms for PY 2015. Employment and training grantees are required to submit the following reports, approved under OMB No. 1205-0425:
• An annual Program Planning Summary (PPS) (ETA Form 9094) to report planned participant numbers and services for the PY. Grantees submit this report with their program plan before the beginning of the PY, as described in TEGL No. 24-14.

• A quarterly Program Status Summary (PSS) (ETA Form 9095) to report information on actual participant numbers and program services.

• A quarterly Workforce Investment Act Standardized Participant Record (WIASPR) submission that collects individual records containing demographic, service, and outcome data on individuals who exit the program. This data is will be used to calculate PY 2015 common performance measure outcomes.

The current reporting forms described above do not capture the number of eligible MSFW youth served. The Department will revise current program reports to capture the number of eligible MSFWs served and program outcomes starting in PY 2016. Once a new performance reporting system is established, ETA will issue guidance on collecting and reporting youth outcomes and associated performance levels.

Housing grantees are required to submit the following report:

• A quarterly Housing Assistance Summary (HAS) (ETA Form 9164) to report data and narrative information on NFJP temporary and permanent housing activities.

TEGL No. 32-12 National Farmworker Jobs Program Reporting Forms and Requirements provide specific instructions and reporting timelines for the forms described in this section.

Paperwork Reduction Act (PRA) Statement  According to the PRA, no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) Control Number. The Department notes that a Federal agency may not conduct or sponsor a collection of information, nor is the public required to respond to a collection of information, unless it is approved by OMB under the PRA, and displays a currently valid OMB control number (44 U.S.C. 3507). Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB Control Number (44 U.S.C. 3512). The currently valid OMB Control Number for this collection is OMB 1205-0425, which expires May 31, 2016.

10. Period of Performance and Financial Reporting for PY 2014 and 2015.  The period of performance for current NFJP grants is through June 30, 2016 (See TEGL 24-14). In order to support transition to WIOA, ETA is extending the period that PY 2014 funds can be utilized through June 30, 2016. ETA expects grantees to spend the majority of their PY 2014 funds in PY 2014. Grantees must continue to file each quarter a Federal Financial Report (ETA
Form 9130) for PY 2014 funds until those funds are fully expended or the balance is returned to the Department in closeout.

11. **Modifying a Program Plan.** The grantee must submit a request to the Department for any proposed modifications to its plan to add, delete, expand, or reduce any part of the program plan or allowable activities.

12. **Implementation of the New Uniform Guidance Regulations.** OMB streamlined the Federal government’s guidance on Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards, and issued *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Final Rule* (Uniform Guidance. 2 CFR 200 et seq.). On December 19, 2014, ETA released TEGL No. 15-14 *Implementation of the New Uniform Guidance Regulations* announcing that the Uniform Guidance will apply to all funding actions and new Federal awards made on or after December 26, 2014. Therefore, all NFJP grantees which receive funding for PY 2015 activities will receive new terms and conditions applying the Uniform Guidance to these new funds. For the new money only, these new Uniform Guidance terms will supersede the previous Notice of Award conditions applying 2 CFR 220, 225, or 230, 29 CFR Parts 95 and 97, and the audit requirements at 2 CFR Part 96 and 99.

TEGL 15-14 also encourages current grantees who receive annual allotments or other incremental funding in PY 2015, such as NFJP grantees, to follow the new Uniform Guidance for all funds. However, a modification to the current grant is necessary to officially apply the new guidance to existing grant awards with funds issued prior to December 26, 2014. Grantees should review TEGL No. 15-14 for specific instructions on requesting this type of modification.

**Indirect Cost Rate**  Any grantee that includes indirect charges on the SF-424A must have a valid Indirect Cost Rate Agreement (ICRA) or Cost Allocation Plan (CAP) supplied by the Federal Cognizant Agency on file. For any grantee that chooses to include estimated indirect costs in its budget, and that either does not have an ICRA/CAP or has a pending ICRA/CAP, the Grant Officer will release funds in the amount of ten percent of salaries and wages to support indirect costs at the time of award. Within 90 days of award, a grantee must submit an acceptable indirect cost proposal or CAP to its Federal Cognizant Agency to obtain a provisional indirect cost rate.

Under the Department of Labor’s “Guide for Indirect Cost Rate Determination”, which is based on the Uniform Guidance, any non-Federal entity that has never received a negotiated indirect cost rate, except for those non-Federal entities described in 2 CFR Part 200 Appendix VII, may elect to charge a de minimis rate of 10 percent of modified total direct costs which may be used indefinitely. Please note that the non-Federal entities excepted by 2 CFR Part 200 Appendix VII includes State and local Governments and Indian Tribes.

If a grantee meets the requirements to use the ten percent de minimis rate, as described in 2 CFR 200.414(f), the grantee must include a description of the modified total direct costs base (see 2 CFR 200.68 for definition) used in the calculation along with the amount of the
base, and the total indirect costs requested based on the ten percent de minimis rate. If a
grantee chooses this option, this methodology must be used consistently for all Federal
awards until the grantee negotiates for an indirect cost rate, which a grantee may apply to do
at any time. (See 2 CFR 200.414(f) for more information on use of the de minimis rate.)

13. **Precedence.** In the case of a discrepancy between this TEGL and PY 2015 NFJP grant
awards, this TEGL takes precedence.

14. **Action Requested.** Grantees please review this operating guidance and continue to
implement WIOA.

15. **Inquiries.** All Grantees should submit inquiries to their appropriate Federal Project Officer.

16. **Attachment.** WIOA Operating Guidance TEGL References.