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STATE INSTRUCTION NUMBER 20-05, Change 1

To: Local Workforce Area Signatory Officials
Local Workforce Area Board Chairs
Local Workforce Area Administrators
DEW Area Directors
DEW Regional Managers

Subject: Disaster Recovery DWG

Issuance Date: June 30, 2023

Effective Date: June 30, 2023

Purpose: To provide guidance on Disaster Recovery National Dislocated Worker Grants (DWGs), including requirements for Disaster Recovery DWGs, how to apply for funding, and how projects are managed and monitored.

Change 1 Revision: Key changes include:

- Emphasizing Training and Employment Guidance Letter (TEGL) 16-21, Attachment I, as guidance for administering a Disaster Recovery DWG
- Defining long-term unemployed and significantly underemployed
- Highlighting worker groups that may be most in need of economic support or workforce development services, including individuals with disabilities, aging workers, and workers in rural communities
- Noting the availability of self-attestation for participants in compliance with TEGL 23-19, Change 2, and reiterating subrecipient responsibility to make reasonable efforts to acquire source documentation when self-attestation is used to determine eligibility
- Listing additional information request items for emergency applications
- Adopting the US Department of Labor's (DOL) incremental funding method for South Carolina DWG fund distribution

References:

- Workforce Innovation and Opportunity Act (WIOA), Public Law 113-128 §§ 3(15), 170
- Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), Public Law 93-288, as amended, § 102(6), (10)
- 2 CFR Part 200; 20 CFR §§ 687.110, 687.170(b), 687.180(b)-(c)
- TEGs 10-09; 14-18; 16-21; 23-19, Changes 1 and 2

Background: DWGs are discretionary grants awarded by DOL under WIOA § 170 to provide employment-related services for dislocated workers. DWGs are supplemental, time-limited funding assistance in response to major economic dislocations or other events that cause significant impact on states and local areas that exceed the capacity of existing formula funds and other relevant resources. Disaster Recovery is one type of DWG intended to provide disaster-relief and humanitarian assistance employment, as well as employment and training services, as appropriate, to minimize the employment and economic impact of federally declared disasters and emergency situations in disaster-declared areas as defined in 20 CFR § 687.110(b). DWG projects should align with other state and local programs, including Rapid Response, layoff aversion, and the WIOA Title I Dislocated Worker Program, and should focus on addressing employment and training needs in states and local areas.

Policy:

REQUIREMENTS FOR DISASTER RECOVERY DWGS

- **See TEG 16-21, Attachment I, for detailed guidance on operating a Disaster Recovery DWG.**

DWG FUND RECIPIENTS AND SUBRECIPIENTS

Eligible applicants for Disaster Recovery DWGs are the state, outlying area, or Indian tribal governments as defined by the Stafford Act § 102. Grant recipients may sub-grant funds to Local Workforce Development Boards (LWDBs) and/or may expend such funds through public and private agencies and organizations engaged in such projects consistent with DWG cost limitations. Subrecipients are to adhere to the same terms and conditions applicable to the DWG grant recipient.

DWG recipients or subrecipients may designate an entity as a “Project Operator” to provide services. Project operators may be responsible for all or part of the following: enrolling participants in disaster-relief employment, employment and training activities, or both; identifying, retaining and overseeing worksite employers; meeting project goals; and more. Their specific roles and responsibilities are determined by the grant recipient or subrecipient based

upon the project implementation plan. A project operator is considered a subrecipient of federal funds and must adhere to the same provisions as the DWG grant recipient.

ELIGIBLE INDIVIDUALS

An individual eligible for services through a Disaster Recovery DWG must be one of the following:

- A worker temporarily or permanently laid off as a consequence of the disaster
- A dislocated worker as defined by WIOA § 3(15)
- A long-term unemployed worker
- A self-employed individual who became unemployed or significantly underemployed as a result of the disaster or emergency

LONG-TERM UNEMPLOYED WORKER. A long-term unemployed worker is unemployed at the time of eligibility determination and meets any one of the following:

- No employment history
- Incarcerated previously or within 180 days of release from incarceration
- Unemployed for 11 or more nonconsecutive weeks over the last 26 weeks

SIGNIFICANTLY UNDEREMPLOYED. A self-employed individual is significantly underemployed at the time of eligibility determination if any of the following apply:

- Employed less than full-time (less than 30 hours per week), but seeking full-time employment
- Employed in a position that is inadequate with respect to their skills and training
- Employed, but meets the definition of a low-income individual in WIOA § 3(36)
- Employed, but current earnings are not sufficient compared to their earnings before the disaster or emergency

PRIORITY ENROLLMENT. Veterans and eligible spouses who meet DWG eligibility will receive priority of service for training under DWGs as described in TEGL 10-09, *Implementing Priority of Service for Veterans and Eligible Spouses in all Qualified Job Training Programs Funded in Whole or in Part by the US Department of Labor.*

Where possible, grantees should prioritize enrollment of eligible participants most in need of economic support or workforce development services, such as, but not limited to the following groups: individuals with disabilities, aging workers, and workers in rural communities.

SELF-ATTESTATION AND ELIGIBILITY DOCUMENTATION. Where self-attestation is listed as an option for source documentation in TEGL 23-19, Change 1, Attachment II, the lack of source

documentation beyond self-attestation **must not delay or prevent enrollment and receipt of services** in a program. While the collection of source documentation for data validation will often take place at the same time as the determination of an individual's program eligibility, these actions serve different purposes. Though the lack of source documentation cannot delay or prevent enrollment and receipt of services in a program, staff should assist the individual, as a service to the participant, in acquiring source documentation as lack of appropriate documentation could cause barriers to employment and/or advancement on a career path.

Subrecipients must demonstrate that reasonable efforts have been made to collect, during the disaster and after the disaster, the additional documentation necessary to ensure that each participant is eligible under 20 CFR 687.170(b). Upon request, subrecipients must be able to articulate what efforts were made to acquire documentation, during and after the disaster, when unable to obtain source documentation.

UNEMPLOYMENT INSURANCE (UI) COVERAGE

Temporary disaster-relief employment participants may be eligible for unemployment benefits at the conclusion of their employment. UI eligibility for such individuals will be determined using the same factors as any standard claimant, including combined wages and last liable employer.

DWG funds may be used to pay required state UI taxes; however, the grant may not be used to pay penalties for failure to remit employer taxes or provide UI coverage where required by law.

COMPLIANCE WITH LAWS, REGULATIONS, AND GUIDANCE

Recipients of Disaster Recovery DWGs must comply with the provisions of WIOA; its implementing regulations; the OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200); TEGL 16-21; the Notice of Award; and any additional applicable federal and state laws, regulations, and guidance.

PROCESS FOR REQUESTING DWG FUNDS

EMERGENCY APPLICATION

As an eligible applicant, the Department of Employment and Workforce (DEW) may request Disaster Recovery DWGs through an abbreviated emergency application to expedite DWG assistance after a disaster event. Following a disaster event, DEW may request information from Local Workforce Development Areas (LWDAs) on local conditions, including:

- Damage assessment
- Closings, including centers, schools, libraries, and other public facilities that provide education, training, health, and human services

- Immediate needs for disaster recovery assistance, such as debris removal and clean-up or humanitarian assistance (food, water, clothing, etc.)
- Initial number of anticipated participants
- Request for funding, including budget
- Other applicable information that demonstrates a need for DWG funds

DEW may use this information to compile its Emergency Application for Disaster Recovery DWG funds.

FULL APPLICATION

Within 60 business days following an award of Disaster Recovery DWG funds via an emergency application, DEW must modify the grant to provide a full application. This includes a Community Needs Assessment, budget, implementation plan, and a list of worksites where the disaster relief work will be performed. DOL may also require DEW to submit additional information per the special conditions of the initial DWG award. The 60-day window for submitting a full application is based on the date the signed grant award from DOL is received by DEW.

During the 60-day window for submitting a full application, DEW will publish a non-competitive Notice of Funding Opportunity (NOFO) and request applications/requests for funding from LWDA's that have a need for disaster recovery assistance. At a minimum, a local request for funding must include:

- Detailed community needs assessment
- List of worksites
- Description of the process used for identifying worksites
- Proposed disaster employment positions
- Proposed employment and training activities
- Projected enrollment and expenditure information
- Description of the process for monitoring and oversight of project and worksite
- Budget and detailed budget narrative
- Current negotiated indirect cost rate agreement

Local requests for funding must include Disaster Relief Employment as a recovery strategy. Additionally, LWDA's must coordinate with local emergency management agencies to avoid duplication of efforts and to ensure that its activities appropriately respond to the affected community's needs after a disaster.

DEW will use this information to compile its Full Application and to award funding to LWDA's.

PROCESS FOR EVALUATING LWDA APPLICATIONS/REQUESTS

Requests for DWG funding is a non-competitive process; however, applications will be evaluated using the **DWG Application Checklist** (attached) to ensure overall compliance with federal guidance and that the need for assistance is clearly articulated and disaster recovery activities closely align with the need for assistance. DEW may request additional information or clarification on any part of a LWDA's application. Additionally, DEW may partially fund a LWDA's request or withhold funding altogether.

SOUTH CAROLINA'S FUNDING APPROACH

DOL distributes funds, typically, in one-third increments of the requested funding amount, with an overall ceiling equal to the total funding request. Fund distribution can vary on a case-by-case basis, depending on factors such as the severity of a disaster, the viability of a proposed project, and the applicant's prior experience or performance implementing DWGs. Approval of the project's overall amount does not obligate the funds beyond the immediate incremental award. South Carolina chooses to follow a similar approach.

Subrecipients may request the next increment when all of the following occur:

- Expenditures or obligations reach, or are within 45 days of reaching, approximately 70% of the total DWG funds awarded to date.
- The Community Needs Assessment demonstrates continued need for the funds.
- Reports and documentation demonstrate the subrecipient is making a reasonable effort to achieve program goals.

South Carolina may consider the following when determining whether to release the next funding increment:

- Subrecipient's demonstrated success or progress towards meeting or exceeding any specific milestones identified in the initial application
- Progress in responding to monitoring reports
- Compliance with grant terms and conditions
- Quarterly performance reports
- Monitoring reports and any corrective action plans
- Evidence of efforts made to achieve specific outcomes, milestones, or enrollment numbers, even where the subrecipient has been unable to meet those goals

MANAGEMENT, OVERSIGHT, AND MONITORING

REQUIRED LWDA POLICIES AND PROCEDURES

Project Operators are required to develop and maintain policies and internal controls to ensure compliance with general requirements for disaster recovery under TEGL 16-21, Attachment I. At a minimum, local policies should outline procedures for establishing worksites, identifying temporary jobs, and supervising temporary employment. These policies must establish procedures for the following:

- Ensuring that worksites and disaster-relief jobs are selected based upon the needs identified in the area to be served and based upon the approved grant agreement and scope of work
- Ensuring that worksites give the highest priority to the cleanup of the disaster areas' most severely damaged public communities, facilities, and property, and to the cleanup and the provision of humanitarian assistance to economically disadvantaged areas within the disaster area
- Establishing, reviewing, and updating worksite agreements
- Determining and responding to new needs or challenges in accordance with DWG requirements, such as limits on disaster-relief employment duration, participant wages, worksite selection, work on private property, and health and safety standards

NOTE: When a disaster-relief employer does not have employees doing the same or similar work with similar training, experience, and skills, subrecipients must ensure that wages paid to participants are in line with industry standards, supported by documentation in the application, and are at least \$15 per hour.

Local policies and internal controls are subject to programmatic monitoring.

PERFORMANCE

DWG performance accountability is outlined in TEGL 14-18, Attachment 6. Participants who receive only disaster relief employment are not included in the primary indicators of performance unless they receive other allowable career and training services provided through the grant or through co-enrollment in another WIOA core or partner program that shares a common exit with the DWG.

MONITORING OF GRANT RECIPIENTS

DEW conducts regular desktop monitoring through the review of quarterly progress reports, monthly Financial Status Reports (FSRs) and Requests for Payment (RFPs), and SCWOS participant file reviews. DEW also conducts annual programmatic and financial compliance monitoring of

each LWDA. Annual monitoring extends to discretionary grants, including DWGs. Project Operators are required to participate in monitoring activities conducted by DEW and DOL.

Additionally, Project Operators are required to monitor sub-grantees, sub-contractors, and disaster-relief worksites for compliance with applicable regulations and laws governing DWGs and agreed upon contract statements of work. Monitoring reviews of the Disaster Recovery DWG program should include a combination of desktop and on-site visits, including worksite inspections and interviews with employers and participants. At a minimum, the monitoring review should cover:

- Participant eligibility
- Assessment
- Individual Employment Plans (IEPs)
- Expenditures, including disaster employment wages and fringe benefits
- SCWOS data entry
- Activity reports submitted by worksite employers/supervisors

Project Operators should conduct worksite employer and participant interviews as part of regular monitoring activities to ensure that DWG activities are being implemented at the worksite as initially planned and in compliance with DWG guidance. The **Worksite Inspection Checklist** (attached) can be used as a tool when conducting monitoring activities. Project Operators must submit written monitoring reports to DEW, summarizing any findings and/or observations and corrective action, if required.

Action: Please ensure that all appropriate staff receive and understand this policy.

Inquiries: Questions may be directed to Workforce Reporting and Compliance at WRC@dew.sc.gov.



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Workforce Development Division

Attachments:

DWG Application Checklist
DWG Worksite Selection Checklist
DWG Worksite Inspection Checklist