

**Arkansas Employment Security Department  
and  
Arkansas Workforce Investment Board Issuance PY 04-16**

**From:** Artee Williams, AESD Director  
Sandra Winston, AWIB Executive Director

**Date:** March 23, 2005

**Subject:** AJL Deployment Procedures

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1. **Purpose(s)**. (a) Announce the opportunity for Local Workforce Investment Areas (LWIAs) to voluntarily participate in this initiative; (b) Transmit LWIA funding amounts and subgrant award numbers; (c) Outline the requirements for participation; (d) Provide instructions for submission of subgrant award packages.
  
2. **Background**. The primary objective of the Transitional Employment Assistance (TEA) program is to provide work opportunities for low-income families that will prevent their need for welfare assistance. In order to support the achievement of this goal, the Arkansas Transitional Employment Board (ATEB) has agreed to authorize the Arkansas Employment Security Department (AESD) to subgrant up to \$4,000,000 in federal Temporary Assistance for Needy Families (TANF) funds to provide on-the-job training (OJT) opportunities to:
  - Individuals eligible for TANF (Defined as low-income families with a child under the age of 19 that are in receipt of Food Stamp or Medicaid benefits)
  - Clients in receipt of TEA benefits that have been identified by the Arkansas Department of Human Services, Division of County Operations (DCO) as appropriate referrals to OJT

**It shall be the goal of LWIAs that at least 50% of the clients served should be in receipt of TEA benefits.**
  
3. **Funding**. \$3,840,000 is being made available to LWIAs to co-fund OJT (\$3,600,000 for Program, and \$240,000 for Administration (Definition Attached)). AESD allocated these funds to LWIAs based on each local area's pro-rata share of TEA time limited cases (24 months). Subgrant award numbers and funding amounts are as follows.

4. **Requirements for Participation.** Specific terms and conditions for participation are as follows.

OJT Contracts

- Local employers will be offered contracts that, in exchange for providing occupational skills training, provide for the reimbursement of up to 50 percent of the wage rate to compensate for the employer's extraordinary costs.
- The local program must not contract with an employer who has previously exhibited a pattern of failing to provide OJT participants with continued long-term employment with wages, benefits, and working conditions that are equal to those provided to regular employees who have worked a similar length of time and are doing the same type of work.
- Priority will be given to employers who have been identified as:
  1. Offering wages and benefits that lead to family self-sufficiency
  2. Ensuring long term self-sufficiency for their employees
  3. After upgrading existing employees through OJT, backfilling vacancies with public assistance recipients and other low income persons
- OJT contracts will identify the occupation, the skills, and competencies to be learned and the length of time the training will be provided.
- Participants will be provided a structured training opportunity in which to gain the knowledge and competencies necessary to be successful in the occupation in which they receive training.
- Contracts will be limited to the period of time required for a participant to become proficient in the occupation for which the training is being provided. In determining the appropriate length of the contract, consideration will be given to:
  1. The skill requirements of the occupation
  2. The academic and occupational skill level of the participant
  3. Prior work experience
- The minimum time in training will be 30 days (240 hours) and the maximum time in training will be 26 weeks (1,040 hours).

- In order to avoid lower paying jobs that will not lead to self-sufficiency, the minimum wage will be \$8.00 per hour.
- LWIAs will monitor contracts for fiscal and program compliance and performance.

#### Referrals

- Local DCO TEA case managers will be responsible for identifying and referring individuals who meet specific criteria to LWIA workforce centers. In addition, at the request of a workforce center, the local DHS office will verify the Food Stamp, Medicaid, or former TEA status of any individual identified as potentially eligible for TEA.
- Individuals who may be referred by DCO are as follows:
  1. A TEA recipient who was placed in TEA Assisted Job Search (AJS) activities for at least four consecutive weeks and did not find employment
  2. A TEA recipient who is currently assigned to a Work Experience (WEX) placement
  3. A TEA recipient who is currently engaged in GED activities and is not employed
  4. A newly approved TEA recipient who would otherwise be assigned to a TEA AJS work activity
  5. One or both parents in a TEA two-parent family who is not deferred or exempt and is not otherwise satisfactorily engaged in work activities
  6. Except for those noted below, any other TEA recipient the case manager determines is an appropriate referral for an OJT placement

**Note:** Individuals who could become potentially eligible for TEA cash assistance are also included as eligible participants in this OJT initiative. For this purpose, an unemployed individual who is receiving Food Stamp benefits, TEA Medicaid, ARKids, or TEFRA for a child under the age of nineteen (19) may also participate.

DCO will not be responsible for referring such individuals to the workforce centers. However, upon request of workforce center staff, the county office will verify the status of any such individual.

- DCO will not refer the following individuals:

1. TEA recipients who score below the ninth grade level on the TABE
2. TEA recipients for whom a disability has been established
3. TEA recipients who have been referred to Severe Barriers and individuals participating in a Severe Barriers Project

### Referral Process

The local workforce center and the local DCO county office will determine the actual method of communication between the two agencies, e.g., fax, email, USPS, etc. The workforce center will provide the local DCO county office with a contact list and other pertinent information needed for the referral/communication process.

The local DCO office will identify individuals who meet the criteria for a referral. The TEA case manager will notify the client of the referral and will explain the purpose of the referral. The TEA case manager will complete form DCO-1425 On-the-Job Training Referral and Participation Turnaround form (Attached) for each individual being referred. The DCO-1425 will be sent to the workforce center via the method previously agreed upon by the two agencies.

The local workforce center will contact referred individuals to schedule an assessment appointment. Upon completion of the assessment, the workforce center will complete Section III of the DCO-1425 referral form and return to the DCO county office via the previously agreed upon method. The report back to DCO will reflect whether the individual was enrolled in a WIA program and if so, to which activity. At the point the individual is placed in OJT, the workforce center will also report the placement to DCO.

In addition, when a referred individual has failed to comply, either by not keeping scheduled appointments or by failing to participate in the assigned activity, the workforce center will notify the local DCO county office by completing the appropriate area of Section III on form DCO-1425.

### Additional Funding Criteria

- Entities must agree to abide by current TANF regulations and requirements and any additions that may be implemented by either the state or federal government.

- For the TANF Final Rule, please visit:  
<http://www.acf.dhhs.gov/programs/ofa/finalru.htm>
  - Only actual costs for services provided for eligible TEA clients referred by DCO, or for potentially eligible individuals, as verified by DCO, will be charged, directly or indirectly, to TANF funding.
  - Entities must agree to fiscal and program monitoring by AESD.
  - Proper accounting and reporting capabilities are required to be in place and followed as per OMB Circulars.
  - Entities must be able to meet reporting requirements, as agreed to by AESD and the ATEB, including allocation of costs, monitoring, and auditing of TANF funds.
  - Entities must adhere to the Workforce Investment Act (WIA) cash-on-hand requirements for TANF funds.
  - Entities cannot supplant, replace, or duplicate current available funding with TANF funds for salaries, rent, equipment, etc.
  - Federal and Arkansas procurement policies must be followed if equipment, furniture, etc. are purchased. Such equipment, furniture, etc. shall be used for the purpose for which it was purchased and shall remain the property of TANF at all times. If no longer being used for the purpose for which it was purchased, it must be returned to or transferred at the discretion of the TANF block grant recipient.
5. **Action Required.** Interested LWIAs are requested to submit a subgrant award package to the AESD Office of Employment Assistance by April 15, 2005 at the following address.

Arkansas Employment Security Department  
Office of Employment Assistance, Room 207  
#1 Pershing Circle  
North Little Rock, AR 72114

**Subgrant award packages must include three (3) originals of the following:**

- AR-TEA-1, TEA Authorization of Signature
- AR-TEA-2, TEA Notice of Subgrant Award
- AR-TEA-3, TEA Program Summary
- AR-TEA-4, TEA Budget Summary
- Narrative
- SF-424, Application for Federal Assistance (CFDA Number 93.558 – Temporary Assistance for Needy Families)
- SF-424B, Assurances – Non-construction Programs
- Address, phone number, and contact person for each participating Workforce Center

**Note:** Performance Period shall commence on March 1, 2005 and shall terminate on February 1, 2006. Subgrant agreements may be extended for additional one-year periods at the sole discretion of DCO and AESD, subject to approval of the ATEB, appropriation of necessary funding, and review by any necessary state or federal authority.

6. **For Additional Information.** Contact Mike Kennedy at [mike.kennedy@aesd.arkansas.gov](mailto:mike.kennedy@aesd.arkansas.gov) or 501-682-3142.

7. **Expiration Date.** February 1, 2006

Attachments:

- AR-TEA-1, TEA Authorization of Signature
- AR-TEA-2, TEA Notice of Subgrant Award
- AR-TEA-3, TEA Program Summary
- AR-TEA-4, TEA Budget Summary
- SF-424, Application for Federal Assistance (CFDA Number 93.558)
- SF-424B, Assurances – Non-construction Programs
- DCO-1425, On-the-Job Training Referral and Participation Turnaround Form and Instructions
- Definition of TANF Administrative Costs