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CHAPTER 309. HOSTING ENROLLEES OF FEDERAL GRANT PROGRAMS

1. SCOPE

This chapter contains VA policy and procedures to be followed by VA stations when acting as hosts for enrollees of Federal grant economic opportunity programs. Appendix A identifies and discusses features of the most common programs in which VA participates.

2. DEFINITIONS

a. The following terms used throughout this chapter are defined in FPM chapter 309, sections 1-4.

(1) Administering agency.

(2) Prime sponsor.

(3) Enrollee.

(4) Hosting agency.

b. For the purpose of this chapter, the term "housing station" has the same general meaning within VA as the term "hosting agency."

3. POLICY

a. Field stations will participate in authorized host-enrollee programs to the fullest extent practicable, consistent with the guidelines contained in paragraph 4 below and subject to the availability of funds.

b. Stations are permitted to host enrollees of those Federal grant programs which are authorized by statute.

c. Many assistance programs result from State or local legislation and are supported wholly by appropriations of State and local governments. Prior to participating in any of these State or locally developed programs, stations will forward a copy of any proposed agreement and the programs' enabling legislation or authorization to the Deputy Assistant Secretary for Human Resources Management (051) for review. Any State or local program will be reviewed to insure that it conforms to the conditions listed in paragraph 4 below. Stations will not enter into any agreement which may constitute a prohibited contract for personal services between the enrollee or prime sponsor and the station.

d. The Chief, Human Resources Management, or designee, at each station will provide guidance and assistance in the development and operation of hosting arrangements.

4. CONDITIONS FOR HOSTING ENROLLEES

a. Hosting arrangements involving participation by VA stations are subject to the following conditions:

(1) The job experience gained by the enrollee may provide a first step to permanent employment within VA; the emphasis, however, should be on providing meaningful work assignments to prepare the enrollee for employment in general or to assist in the accomplishment of educational goals.

(2) Hours worked as an enrollee may be credited as work experience in accordance with the provisions of applicable OPM (Office of Personnel Management) or VA qualification standards, but not as Federal service when a person later applies for Government employment. Service performed as an enrollee cannot be counted to establish eligibility for noncompetitive conversion to career or career-conditional status.

(3) In no case will enrollees displace VA employees, replace VA employees for which funds have been provided, or impair existing contracts for services. Their services may be used only to augment or supplement the regular work force.

(4) A working agreement will be developed jointly by the prime sponsor and the hosting station. This agreement will specify the conditions of the work assignment and the obligations of each party. (See par. 5 below, for a further discussion of working agreements.)

(5) When payments are to be made by hosting stations, such payments will be reimbursements to the prime sponsor. No advance payments will be made, and no payments will be made directly to enrollees.

(6) No enrollee will be hosted under the provisions of the Intergovernmental Personnel Act of 1970 (5 U.S.C. 3371-3376), nor will enrollees be assigned to public relations work of any nature (PL 89-128).

(7) While the prime sponsor may provide supportive counseling to the enrollee, onsite supervision is provided by the hosting station. Hosting stations may terminate a relationship with an unsatisfactory enrollee at anytime.

(8) Due to legal and regulatory restrictions, enrollees in certain programs cannot be assigned work which involves the construction, operation or maintenance of so much of any facility that is

used or is to be used for sectarian instruction or as a place of worship. Currently, the programs in which such activities are prohibited are:

- (a) Vocational Education Work-Study.
- (b) Programs under the Comprehensive Employment and Training Act.
- (c) Senior Community Service.
- (d) College Work-Study.

(9) The VA policy of nondiscrimination on the grounds of sex, race, creed, color, national origin, age, or non-disqualifying physical handicap is fully applicable in all relationships between hosting stations and prime sponsors and enrollees.

(10) Citizenship requirements for enrollees will be as prescribed in the applicable program regulations.

(11) An enrollee must be at least 16 years of age in order to be hosted by a station.

b. Specific requirements of each program are outlined in appendix A.

5. AGREEMENTS WITH SPONSORS

a. General. A written agreement will be developed by the hosting station and the prime sponsor. This agreement will specify each party's respective responsibilities for the operation of the program. Each program's enabling legislation should be identified and cited in the host-enrollee agreement. The following items are required in all agreements:

- (1) Identities of the prime sponsor and the hosting station.
- (2) Number of enrollees.
- (3) Number and types of work assignment to be provided.
- (4) A statement that the conditions for hosting contained in paragraph 4a above, are met.
- (5) Termination date of the agreement.

Completed agreements will be maintained at the hosting station and are subject to review by VA and OPM officials conducting personnel management evaluations, as well as other VA Central

Office officials visiting field facilities. Necessary corrective actions may be directed by VA Central Office or OPM.

b. Agreements Involving Sharing of Costs

(1) The College Work-Study Program and the Vocational Education Work-Study Program generally require some form of cost-sharing since in both programs a maximum of 80 percent of the enrollee's compensation can be paid from program funds. The remainder not covered by program funds may be paid by the prime sponsor if it so desires; in most instances, however, the hosting station is requested to provide the necessary funds. If such arrangements are made, agreements will contain the items discussed in subparagraph a above, as well as statements concerning agreements reached on the following, as appropriate:

(a) **Duty Hours.** Pay rates are determined by the prime sponsor. The total number of hours worked and the scheduling of work assignments are established jointly by the prime sponsor and the hosting station. Enrollees are to be paid for all hours worked. Enrollees are to be paid for all hours worked. Enrollees will not be permitted to work more than 40 hours per week.

(b) **Third Party Referrals.** No agreements will be made with third party referral agencies which impose a fee to locate and provide enrollees for these programs.

(c) **Administrative and Billing Procedures.** The procedures for reimbursement of costs to sponsors are outlined in paragraphs 1c, and 2c, appendix A.

(2) The Senior Community Service Employment Program pays 90 percent of the enrollee's compensation from grant funds. The remaining 10 percent is normally reimbursed by the hosting station. This reimbursement may be "in cash" or "in kind," i.e., furnished by the hosting station. Any agreement pertaining to this particular program will specify the type of reimbursement to be made by the hosting station.

c. Agreements Not Involving Costs Sharing. Hosting stations who enter into agreements with prime sponsors which require no reimbursement of any kind (e.g., Work Incentive Program (WIN) or Comprehensive Employment and Training Act (CETA)) will develop a memorandum of understanding to be signed by both parties. This memorandum will specify the responsibilities of each party, will contain the information required by subparagraph a above, and will be in conformance with the guidelines contained in paragraph 4a, above. Completed agreements will be maintained at the hosting station and are subject to the same review as outlined in subparagraph a above.

APPENDIX A. PROGRAMS AUTHORIZED FOR PARTICIPATION

1. THE COLLEGE WORK-STUDY PROGRAM

a. Participation. Field stations may host enrollees for whom appropriate work assignments can be arranged. Work assignments should normally be in areas closely related to the student's major field of study, e.g., pre-pharmacy students assigned as pharmacy aids in a medical facility. All assignments are to be made in accordance with the guidelines in paragraph 4 of this chapter. A formal agreement, incorporating the items in paragraph 5 of this chapter, is required. Stations may reimburse sponsors for the portion of enrollee compensation not covered by program funds. This reimbursement will normally be 20 percent of the total compensation paid. This limit may be waived, however, by the field station Director when justified. Payment of hourly wages should generally be in the amount of the required balance and should not exceed 50 percent. Documentation supporting the reason(s) for exceeding the normal 20 percent rate should be developed for each agreement and retained at the hosting station. Stations may pay, if they choose, the employer's cost of social security taxes on the total amount of wages paid to enrollees. These costs may be included in or in addition to the station's share.

b. Enrollee Status. Enrollees of this program are not Federal employees. Depending on the circumstances, however, enrollees may be covered by either the Federal Tort Claims Act, or the Federal Employees' Compensation Act, or both. The coverage of these acts will be adjudicated by the Department of Justice, and the Office of Workers' Compensation Programs, Department of Labor, respectively, on a case-by-case basis. Since enrollees have generally been treated as Federal employees for the purpose of FECA coverage by the Office of Workers' Compensation Programs, payment of fees for any State workers' compensation is not authorized.

c. Reimbursement Procedures

(1) If reimbursement payments to the sponsor are required, invoices will be prepared by the sponsor and forwarded to the station's fiscal activity. These invoices will include the following information:

- (a) a reference to the agreement,
- (b) the name and address of the payee (the sponsor),
- (c) the name of each enrollee who performed work during the reporting period,
- (d) the hours and dates worked by the enrollee,

- (e) the gross hourly rate of compensation for each enrollee,
- (f) the gross amount due the enrollee,
- (g) the percentage payable from VA funds,
- (h) the net amount due based on compensation payments.
- (i) the employer contributory payroll costs (if any), and
- (j) the total amount due the sponsor.

(2) Prior to making payment, a station official having knowledge of the work performed will sign a certificate stating "Services as itemized hereon have been received and payment is therefore in order." After the invoice has been audited for compliance with the terms of the agreement, it will be certified for payment. This chapter will be cited as authority. Reimbursement payments will be charged to subaccount 2585, Work-Study Program for College Students, under the applicable cost center.

2. THE VOCATIONAL EDUCATION WORK-STUDY PROGRAM

a. Participation. A written agreement between the sponsor and the hosting station is required. (See par. 5 of this chapter.) Assignments are to be made in accordance with the guidelines in paragraph 4 of this chapter. Assignments should support the objectives of the vocational education program in which the student-enrollee is participating. Hosting stations may contribute up to 20 percent of an enrollee's compensation, payable to the sponsor. Neither social security tax nor workers' compensation payments will be made out of any portion of this reimbursement.

b. Enrollee Status. Enrollees are not considered Federal employees for the purpose of any laws administered by the Office of Personnel Management. They are not covered by FECA or by the Federal Tort Claims Act. All employer contributory costs, including social security taxes or worker's compensation payments, are the responsibility of the sponsor. While hosting stations provide work-site supervision of enrollees, advice and assistance are normally provided by work-study supervisors from the local school system.

c. Reimbursement Procedures

(1) Invoices will be completed by the sponsor before reimbursement is paid. These invoices will be in the same format as the invoices pertaining to College Work-Study Program (see par. 1c above).

(2) A knowledgeable VA official must certify delivery of services of enrollees prior to payment being made. This certification will be the same as that used for the College Work-Study Program (see par. 1c above). Funds will be charged to subaccount 2585 and the applicable cost center.

3. THE SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM

a. Participation. Stations may act as hosts to enrollees if appropriate work assignments can be made. Sponsors can pay up to 90 percent of the enrollees' compensation from grant funds. The remainder may be provided by the hosting station "in kind." Services provided to enrollees such as counseling and supervision, equipment, material, etc., are considered to be reimbursement "in kind."

b. Enrollee Status. Enrollees are not considered Federal employees for the purpose of any law or benefit administered by the Office of Personnel Management. Depending on the circumstances, however, enrollees may be covered by either the Federal Tort Claims Act, or the Federal Employees' Compensation Act, or both. The coverage of these acts will be adjudicated by the Department of Justice and the Office of Workers' Compensation Programs, Department of Labor, respectively, on a case-by-case basis.

4. THE WORK INCENTIVE (WIN) PROGRAM

a. Participation. Only one of the four major components of WIN, work experience, is appropriate for field station participation. Stations may provide up to 13 weeks of work experience to WIN enrollees. This work experience must contribute to the accomplishment of the station's mission and should be work that otherwise would not be done. The sponsor provides all of the compensation paid to enrollees. Hosting stations will provide work experience and onsite supervision only. Acceptable safety, health, and physical standards must be met.

b. Enrollee Status. Enrollees are not considered Federal employees for the purpose of any law or benefit administered by the Office of Personnel Management. Depending on the circumstances, however, enrollees may be covered by either the Federal Tort Claims Act, or the Federal Employee's Compensation Act, or both. The coverage of these acts will be adjudicated by the Department of Justice, and the Office of Workers' Compensation Programs, Department of Labor, respectively, on a case-by-case basis.

5. PROGRAMS UNDER THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT (CETA)

a. Participation. CETA is designed for use primarily by State and local agencies. Occasionally, Federal hosting arrangements may be necessary in order for a program's aims to be

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met. If such arrangements are entered into by stations a memorandum of understanding will be prepared. This memorandum will specify the respective responsibilities of each party. A hosting station's contribution is limited to providing a work-site, work experience, and onsite supervision. No reimbursements will be made. The work experience provided must assist the station in accomplishing its mission, must be work that would not otherwise be performed, and must meet the sponsor's program requirements.

b. Enrollee Status. CETA enrollees are not considered Federal employees for the purpose of any laws administered by the Office of Personnel Management. Depending on the circumstances, however, enrollees may be covered by either the Federal Tort Claims Act, or the Federal Employee's Compensation Act, or both. The coverage of these acts will be adjudicated by the Department of Justice, and the Office of Workers' Compensation Programs, Department of Labor, respectively, on a case-by-case basis. (Under Title IV of CETA, however, Job Corps enrollees are considered Federal employees for the purposes of chapter 81 of title 5, U.S.C. (FECA) and the Federal Tort Claims Act (Title 28, U.S.C.)) No reimbursements are to be made to enrollees or the sponsor.