

<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b> <b>ADVISORY SYSTEM</b> <b>U.S. DEPARTMENT OF LABOR</b> <b>Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> Trade Adjustment Assistance
	<b>CORRESPONDENCE SYMBOL</b> OTAA
	<b>DATE</b> January 19, 2021

**ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 13-20**

**TO:** STATE WORKFORCE AGENCY ADMINISTRATORS  
STATE WORKFORCE LIAISONS  
AFFILIATE AMERICAN JOB CENTER MANAGERS  
COMPREHENSIVE AMERICAN JOB CENTER MANAGERS  
STATE WORKFORCE ADMINISTRATORS  
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS  
STATE LABOR COMMISSIONERS  
RAPID RESPONSE COORDINATORS  
TRADE ADJUSTMENT ASSISTANCE LEADS

**FROM:** JOHN PALLASCH   
Assistant Secretary

**SUBJECT:** Fiscal Year (FY) 2021 Trade Adjustment Assistance (TAA) Training and Other Activities (TaOA) Grant Management Guidance

1. **Purpose.** To assist State Workforce Agencies (SWAs) or agencies designated by Governors as “Cooperating State Agencies” (CSAs) (also jointly referred to as “States,” “Recipients,” “Grantees,” “Applicant,” or “You”) in gaining access to FY 2021 TAA Program TaOA funds by completing and submitting Standard Form (SF) 424, Application for Federal Assistance, through [www.grants.gov](http://www.grants.gov).
2. **Action Requested.** SWA Administrators are requested to immediately provide copies of this guidance to all staff involved in the preparation and submission of the SF-424s for TAA Program grant awards. SWA Administrators are asked to ensure that the staff person or persons responsible for performing these activities are fully aware of the required FY 2021 TAA Program TaOA grant application processes and timelines. The Department of Labor (“Department” or “Grantor”) is requesting that each SWA Administrator ensure that the SF-424 for TaOA grant funding for their state is submitted to the Employment and Training Administration (ETA) via [www.grants.gov](http://www.grants.gov) within 30 calendar days from the issue date of this TEGL.
3. **Summary and Background.**
  - a. **Summary** - This guidance provides instructions to states on the required process for accessing FY 2021 TaOA funds. TAA Program TaOA funds provided under this grant award may be used to cover the cost of training, employment and case management services, job search allowances, relocation allowances, and related state administration. To access FY 2021 funds for Trade Readjustment Allowances (TRA)

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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and Alternative Trade Adjustment Assistance/Reemployment Trade Adjustment Assistance (ATAA/RTAA), states should continue to follow standard procedures, as they have previously, and contact their assigned Federal Project Officer (FPO) if they have questions regarding these funds.

- b. **Background** - The Trade Act Title II, Chapter 2, established the Trade Adjustment Assistance for Workers (TAA), ATAA, and RTAA programs. These programs, collectively referred to as the Trade Adjustment Assistance Program (TAA Program), provide assistance to workers who have been adversely affected by foreign trade. Under Section 239 of the Trade Act, as amended, the states, as agents of the Department, provide benefits and services to eligible workers certified to receive TAA Program benefits. Each state provides these services through one or more state agencies, one of which is designated as the CSA in an agreement between the state's Governor and the U.S. Secretary of Labor (Secretary); this agreement is known as the Governor-Secretary Agreement<sup>1</sup>. The Governor-Secretary Agreement explains program requirements, limitations on the use of TaOA funds, and other important grant provisions, including the TAA Program Annual Funding Agreement (AFA), that states must comply with in order to access TAA Program funding. The Standard Terms and Conditions template that governs the TAA Program grant award is available at: <https://doleta.gov/grants/resources.cfm>. Attachment III of this TEGL sets out the TAA Program Requirements.

The Department and each state must execute an AFA at the beginning of the FY. As detailed in Section 4.b below, each state must submit a signed Application for Federal Assistance Standard Form-424 (SF-424) (Office of Management and Budget Approval No. 4040-0004) through [www.grants.gov](http://www.grants.gov) in order to initiate the grant award process, which culminates with the execution of the AFA.

#### **4. Application and Grant Award Process.**

- a. **Application Process** - The Department strongly encourages states to begin the submission process through [www.grants.gov](http://www.grants.gov) promptly, as it is often time consuming and could take several weeks for successful completion. In addition to other information requested on the SF-424, each state must: 1) enter the announcement number of this TEGL, ETA-TEGL-NO-13-20, into the opportunity number field of the application, and 2) enter the applicable amount set out for the state in Attachment I of this TEGL as the estimated dollar amount of funds requested for FY 2021. Attachment II of this TEGL provides detailed instructions for submitting the SF-424 and includes links to resources, including customer service contacts and other information, available at [www.grants.gov](http://www.grants.gov).
- b. **Grant Award Process** - Upon receiving the application submitted by a state through [www.grants.gov](http://www.grants.gov), the Department's Office of Grants Management (OGM), in conjunction with the Office of Trade Adjustment Assistance, will review the

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<sup>1</sup> In FY 2016, after the enactment of the TAARA 2015, the Department revised and entered into a new Governor-Secretary Agreement with each state.

application materials and request revisions as necessary. Once approved, OGM will incorporate the application with the AFA, which will be executed by the Department's Grant Officer and transmitted to the Authorized Organizational Representative and the Point of Contact identified on the SF-424 identified for the state. Any subsequent changes to the information submitted on the SF-424 (people identified, address, etc.) must be submitted to the Department as a request to modify the AFA via the assigned FPO. Links to reporting databases, as well as general guidance on how to administer a grant award, may be found in the Grantee Handbook available at: <https://www.dol.gov/agencies/eta/grants/management>.

- c. SF-424 TaOA Funding Estimates – Due to the flexible nature of the overall funding scheme for TaOA activities, at the point in time in the FY that ETA issues this guidance and the initial allocation guidance, we do not know the actual annual TaOA award amounts for each state, thus a more flexible estimate is needed. Attachment I of this TEGL sets out the amount that has been calculated by ETA for each state's SF-424 estimated funds request for this FY. This amount is provided specifically for purposes of completing the SF-424. For the TAA program, the SF-424 Field 18 funding request is not determinative of the actual award amounts; however, Field 18 is important as it serves as a cap on the amount that ETA may distribute to the state for the FY. In other words, the estimate on each state's SF-424 must be higher than, or at least equal to, the actual funds that will be awarded for the FY. Based on experience with the funding process, ETA determines the estimates in Attachment I by using both the funding formula factors and a standard 50 percent "cushion." ETA uses this method to decrease the likelihood that a state will need to amend and resubmit its SF-424 during the FY grant cycle.

A state's actual annual TaOA cumulative funding award is determined by ETA using the funding formula set out in 20 CFR 618.910(f), including formula factors designed to reflect current TaOA needs. As reflected in 20 CFR 618.900 et. seq., cumulative annual TaOA funding is also impacted by the recalculation of the formula prior to the award of funds later in the FY, and by any reserve funding requests, among other things.<sup>2</sup> As a result of these adjustments during the FY, the formula based funding estimates calculated early in the FY often vary from the actual award amounts determined later in the FY.

As mentioned in Section 4.a. above, we request that states enter the amount of their applicable estimate from Attachment I in Field 18 of the SF-424. Please note that if at the time ETA awards TaOA funds in the Initial Allocation, Second Distribution or Final Distribution, the amount a state entered in Field 18 of the SF-424 is lower than the cumulative total of funds being awarded at that time, ETA will ask the state to submit a new SF-424 with a revised estimate in Field 18.

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<sup>2</sup> The regulations at 20 CFR § 618.900 and 20 CFR § 618.930 prescribe the timing for distribution of FY TaOA funds to states as follows: the Initial Allocation, as soon as possible after the beginning of the FY, but not before the Department receives its full FY appropriation; the Second Distribution by July 15 of each FY; and the Final Distribution of funds before the end of the FY. The terms "Actuals" or "Totals" relate to the sum of the amounts provided in each distribution.

5. **Inquiries.** For further information about this announcement, please contact Rahel Bizuayene, Grants Management Specialist, OGM, at (202) 693-3438. Applicants should e-mail all technical questions to [bizuayene.rahel@dol.gov](mailto:bizuayene.rahel@dol.gov) and must specifically reference **ETA-TEGL-NO-13-20** along with their question(s), and include a contact name, fax, and phone number with the inquiry. This TEGL is available at <https://www.grants.gov>.

6. **References.**

- Consolidated Appropriations Act, 2021, Division H, (Pub. L. 116-260), enacted December 27, 2020;
- Chapter 2 of Title II of the Trade Act of 1974, as amended (Pub. L. 93-618) (Trade Act) (codified at 19 U.S.C. §§ 2271 et seq.);
- 20 CFR part 618, Trade Adjustment Assistance for Workers, Subpart I;
- Training and Employment Guidance Letter (TEGL) No. 15-12, *Delivery of Benefits and Services to Trade Adjustment Assistance (TAA) Program Recipients through the American Job Center Network Delivery System*;
- TEGL No. 16-16, *One-Stop Operations Guidance for the American Job Center Network, and its Change 1*;
- TEGL No. 17-16, *Infrastructure Funding of the One-Stop Delivery System*;
- TEGL No. 03-19, *Real Property Under Employment and Training Administration-Funded Grants*;
- TEGL No. 10-19, *Technical Assistance regarding the Submission Deadline for the Unified and Combined State Plans under the Workforce Innovation and Opportunity Act (WIOA) for Program Years (PYs) 2020-2023 and Other Related Requirements*;
- TEGL No. 17-19, *Fiscal Year (FY) Trade Adjustment Assistance (TAA) Training and Other Activities (TaOA) Grant Management Guidance*;
- TEGL No. 18-19, *Initial Allocation of Fiscal Year (FY) 2020 Trade Adjustment Assistance (TAA) Program Training and Other Activities (TaOA) Funds and Process for Requesting TAA Reserve Funds*;
- TEGL No. 01-20, *Second Distribution of Fiscal Year (FY) 2020 Trade Adjustment Assistance (TAA) Training and Other Activities (TaOA) Funds and Process for Requesting TAA Reserve Funds*; and
- TEN No. 02-20, *Announcing the Release of the Trade Adjustment Assistance (TAA) for Workers Final Rule and Amended Information Collections Associated with this Rulemaking*.

7. **Attachments.**

- Attachment I: Estimated Fiscal Year (FY) 2021 TAA Program TaOA Funding Levels, by State
- Attachment II: Additional Grants.gov Submission Instructions for TaOA Funding
- Attachment III: TAA Program Requirements

**Estimated Fiscal Year 2021 Trade Adjustment Assistance Program  
Training and Other Activities (TaOA) Funding Levels, by State<sup>1</sup>**

<b>State</b>	<b>FY 2021 State Estimates</b>
Alabama	\$8,101,703.00
Alaska	\$0
Arizona	\$2,930,511.00
Arkansas	\$7,593,785.00
California	\$46,532,289.00
Colorado	\$4,026,708.00
Connecticut	\$6,973,569.00
Delaware	\$0
District of Columbia	\$0
Florida	\$5,988,000.00
Georgia	\$9,326,549.00
Hawaii	\$242,133.00
Idaho	\$2,954,588.00
Illinois	\$22,688,684.00
Indiana	\$23,431,104.00
Iowa	\$7,787,636.00
Kansas	\$20,213,133.00
Kentucky	\$11,338,431.00
Louisiana	\$1,971,417.00
Maine	\$822,983.00
Maryland	\$5,931,708.00
Massachusetts	\$17,047,487.00
Michigan	\$11,885,880.00
Minnesota	\$19,469,814.00
Mississippi	\$783,695.00
Missouri	\$13,032,233.00
Montana	\$473,679.00
Nebraska	\$2,453,508.00
Nevada	\$1,318,968.00
New Hampshire	\$1,327,311.00
New Jersey	\$4,754,487.00
New Mexico	\$8,485,514.00
New York	\$18,887,754.00
North Carolina	\$8,609,096.00
North Dakota	\$768,132.00
Ohio	\$39,377,435.00
Oklahoma	\$5,781,399.00
Oregon	\$36,395,099.00
Pennsylvania	\$42,675,287.00
Puerto Rico	\$0
Rhode Island	\$690,342.00
South Carolina	\$11,346,383.00
South Dakota	\$3,449,520.00
Tennessee	\$9,053,714.00
Texas	\$26,795,426.00
Utah	\$11,247,708.00
Vermont	\$905,472.00
Virginia	\$13,008,240.00
Washington	\$37,590,489.00
West Virginia	\$9,735,974.00
Wisconsin	\$9,522,233.00
Wyoming	\$0
US Total	\$555,727,210.00

<sup>1</sup> States are requested to enter the amount set out in this chart for their state on their Application for Federal Assistance, SF-424 as the FY 2021 TaOA estimated funding. These estimated amounts are consistent with §§20 CFR 618.910-930. Section 4.c. of this guidance provides additional information about how the estimated amounts are calculated. Throughout the FY, ETA will calculate actual amounts for each state for the Initial Allocation, Second Distribution, and Final Distribution and inform states of these amounts via guidance. For FY 2021, TaOA funds are subject to the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended by the Budget Control Act of 2011 (BCA) (also known as sequestration), which requires a reduction in the TaOA funding authority of 5.7 percent, which the Department applies to TaOA funds. Actual TaOA funding amounts for each state will reflect reductions to TaOA funding due to sequestration, as well as any funds awarded to states during the FY through reserve requests.

## Additional Grants.gov Submission Instructions for TaOA Funding

- 1. Introduction.** Recognizing that submission of documentation for TAA Program TaOA funds for FY 2021 through [www.grants.gov](http://www.grants.gov) is the same procedure the Department instructed grantees to follow to apply for FY 2020 TaOA funds, the following is provided to augment the instructions available on the [www.grants.gov](http://www.grants.gov) website.

In the event you encounter a problem with your submission via the [www.grants.gov](http://www.grants.gov) website and do not find a resolution in any of the other resources, call the [www.grants.gov](http://www.grants.gov) support center for assistance at 1-800-518-4726 or 606-545-5035, to speak to a customer support representative or email [support@grants.gov](mailto:support@grants.gov). The [www.grants.gov](http://www.grants.gov) contact center is open 24 hours a day, seven days a week; however, it is closed on federal holidays. *Note, the links in the sections below require Internet Explorer version of IE11 or higher, Chrome, or Firefox. Please use one of these browsers to access the information available on the link.*
- 2. Timely SF-424 Submissions.** The deadline for submitting SF-424s via [www.grants.gov](http://www.grants.gov) for TAA TaOA funding is **30 calendar days** from the issue date of this guidance. States are strongly advised to initiate the application submission and validation process via [www.grants.gov](http://www.grants.gov) as soon as possible and to plan for time to resolve technical problems. Since it is the state's responsibility to ensure a timely submission of their SF-424, states are encouraged to allot time for submission (two business days) and, if applicable, additional time to address errors and receive validation upon resubmission (an additional two business days for each ensuing submission). Only applications that have been successfully submitted in [www.grants.gov](http://www.grants.gov) by the deadline, which is **30 calendar days** from the issue date of this guidance, and subsequently successfully validated by [www.grants.gov](http://www.grants.gov), will be considered timely. *Please note, validation in [www.grants.gov](http://www.grants.gov) does not mean the state's application has been accepted as complete or has been accepted for review. Rather, [www.grants.gov](http://www.grants.gov) only verifies the submission of certain parts of the application.*
- 3. How to Submit an Application.** Applicants can apply on [www.grants.gov](http://www.grants.gov) using Workspace, <https://www.grants.gov/web/grants/applicants/workspace-overview.html>. Workspace is a shared online environment that allows organizations or individuals to apply for federal grants by enabling simultaneous access and edit of different forms within a single application. To access complete instructions on how to apply for opportunities, see <https://www.grants.gov/web/grants/applicants/apply-for-grants.html>. To apply for FY 2021 TaOA grant funds once you have logged into Workspace, select Search Grants at: <https://www.grants.gov/web/grants/applicants/apply-for-grants.html>, and enter **ETA-TEGL-NO-13-20** in the Opportunity Number field of the Basic Search Criteria box. Be careful to use the specific syntax: **ETA-TEGL-NO-13-20**.
- 4. Important Information.**

  - Completing your grant application requires you to enter your organization's Authorized Organizational Representative (AOR) Username and Password. If you do not have the AOR's Username and Password, please register as a new user here: <https://apply07.grants.gov/apply/register.faces>. *Note, if you already have a [www.grants.gov](http://www.grants.gov) account and know or can retrieve your AOR's logon information*

**Additional Grants.gov Submission Instructions for TaOA Funding**

*using the Forgot Username or Password function, you do not need to register another account to apply for FY 2021 TaOA grant funds.*

- When you submit your application via [www.grants.gov](http://www.grants.gov), an electronic time stamp is generated within the system when the application is successfully received by [www.grants.gov](http://www.grants.gov). Grants.gov will send the applicant AOR an email acknowledgement of receipt and a tracking number, e.g., (GRANTXXXXXXXX), with the successful transmission of the application, serving as proof of their timely submission. During this process, the applicant will receive two email messages to provide the status of the application's progress through the system.
  - The first email, sent almost immediately, will contain a tracking number and will confirm receipt of the application by [www.grants.gov](http://www.grants.gov).
  - The second email will indicate that the application has either been successfully validated or has been rejected due to errors.
- Each applicant must be registered in the System for Award Management (SAM) at: <https://sam.gov/SAM/>, (access requires Internet Explorer version of IE11 or higher, Chrome, or Firefox). SAM.gov is an official government website that allows you to: 1) register to do business with the U.S. government; 2) update or renew your entity registration; 3) check status of an entity registration; or 4) search for entity registration and exclusion records. Applicants must have an active registration in SAM to complete the SF-424. If the applicant's registration in SAM is expired, [www.grants.gov](http://www.grants.gov) will reject the application.
- To ensure consideration, the components of the application must be saved as .doc, .docx, .xls, .xlsx, .rtf, or .pdf files. If submitted in any other format, the applicant bears the risk that compatibility or other issues may prevent a state's application from being considered. The Department will attempt to open the document, but will not take any additional measures in the event of problems with opening it (i.e., conversions of any kind).
- The Department strongly advises applicants to use the various tools and documents, including Frequently Asked Questions that are available on the "Applicant Resources" page at: <https://www.grants.gov/web/grants/applicants/applicant-faqs.html>.
- To receive updated information about critical issues, new tips for users, and other time sensitive updates as information becomes available, you may subscribe to [www.grants.gov](http://www.grants.gov) updates at: <https://www.grants.gov/web/grants/manage-subscriptions.html>.

## TAA Program Requirements

- A. Overview.** The TAA Program includes training, employment and case management services, job search allowances, relocation allowances, Trade Readjustment Allowances (TRA), Alternative Trade Adjustment Assistance (ATAA), and Reemployment Trade Adjustment Assistance (RTAA). TAA Program TaOA funds provided under this grant award may be used to cover the cost of training (and related costs), employment and case management services, job search allowances, relocation allowances, and related state administration. Funds for TRA, ATAA, and RTAA are governed by the terms and conditions of the Unemployment Insurance AFA.
- B. States' Responsibilities.** TEGL No. 16-16, *One-Stop Operations Guidance for the American Job Center (AJC) Network*, provides guidance on states' responsibilities for ensuring that the Workforce Innovation and Opportunity Act (WIOA) partner programs are integrated into the AJC network, also known as the one-stop system. The TAA Program is a required one-stop partner under the WIOA statute and regulations. As a WIOA required partner, the TAA Program is responsible for providing access to TAA benefits and services to adversely affected workers through the AJC network. As explained in the *Required Elements for Submission of the Unified and Combined State Plan and Plan for Modifications under WIOA*, under WIOA and the Trade Act, as amended, states must integrate TAA services into their one-stop delivery system; provide rapid response and appropriate career services to worker groups on whose behalf a petition has been filed; and disseminate benefit information that provides workers an accurate understanding of the TAA Program's benefits and services in such a way that it is transparent to the worker applying for them. States must also use their state's AJCs as the main point of contact for participant intake and delivery of TAA benefits and services. For additional information about this and other State Plan requirements, see TEGL No. 10-19, *Technical Assistance Regarding the Submission Deadline for the Unified and Combined State Plans under the Workforce Innovation and Opportunity Act (WIOA) for Program Years (PYs) 2020-2023 and Other Related Requirements*.

### 1) Program Access

If the TAA Program is carried out in a local area, the state must provide access to the TAA Program services in at least one of the local area's comprehensive one-stop centers in accordance with 20 CFR 678.305(d) and with WIOA sec. 121(b)(1)(A)(i). Access to the TAA Program occurs in one of three ways:

- a) Option 1: Having a TAA Program staff member physically present at the one-stop center;
- b) Option 2: Having a staff member from a different partner program physically present at the one-stop center appropriately trained to provide information to customers about the programs, services, and activities available through all partner programs; or
- c) Option 3: Making available a direct linkage through technology to a TAA Program staff member who can provide meaningful information or services.



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The options above offer a wide range of possibilities to partners. Option 2 could require varying levels of assistance depending on the trade-affected worker's needs. For example, this could be as simple as having an adequately trained one-stop center staff member providing basic program information to a one-stop customer regarding group and individual eligibility requirements of the TAA Program. In this example, the partner staff member has been trained on TAA Program eligibility requirements, as well as how to search for and file a TAA petition. Once the Department renders a determination on a petition, the partner staff member will connect the worker to appropriately trained one-stop center staff who can further assist them. If the petition is certified, the worker is eligible to apply for individual benefits and appropriately trained one-stop center staff must guide them through the application and enrollment process. This option allows the customer to receive high-quality service through the one-stop center, in a timely manner. For example, this could be as simple as having an adequately trained one-stop center staff member providing basic program information to a one-stop customer regarding group and individual eligibility requirements of the TAA Program.

The third option, Option 3, a direct linkage, can take many forms as well. As described in 20 CFR 678.305(d)(3), a "direct linkage" means providing a direct connection at the one-stop center within a reasonable time, by phone or through a real-time web-based communication, to a program staff member who can provide program information or services, including career services, to the customer. Solely providing a phone number, website, information, pamphlets, or materials does not constitute a "direct linkage."

The flexibility provided through the three optional methods for assuring customer access to required one-stop center partner services and activities at the comprehensive centers ensures that the TAA Program remains accessible through the one-stop center network.

### 2) Compliance with Regulations and Guidance

In performing its responsibilities under the Governor-Secretary Agreement, as a condition for receipt of funds, the state agrees to fully comply with all program regulations and administrative directives, including, but not limited to:

- a) Trade Adjustment Assistance Final Rule, published in the Federal Register at: <https://www.federalregister.gov/documents/2020/08/21/2020-13802/trade-adjustment-assistance-for-workers>, became effective on September 21, 2020.
- b) Joint WIOA Final Rule, as applicable, published in the Federal Register at: <https://www.gpo.gov/fdsys/pkg/FR-2016-08-19/pdf/2016-15977.pdf>;
- c) Department-Only WIOA Final Rule, as applicable, published in the Federal Register at: <https://www.gpo.gov/fdsys/pkg/FR-2016-08-19/pdf/2016-15975.pdf>;
- d) Consolidated Appropriations Act, 2021, Division H, (Pub. L. 116-260), enacted December 27, 2020;
- e) 2 CFR part 200 (Uniform Administrative Requirements, Cost Principles, and

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Audit Requirements for Federal Awards) and 2 CFR part 2900 (Department's Supplement to 2 CFR part 200);

- f) Chapter 2 of Title II of the Trade Act of 1974, as amended (Pub. L. 93-618) (Trade Act) (codified at 19 U.S.C. §§ 2271 et seq.);
- g) Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended by the Budget Control Act of 2011 (BCA);
- h) TEGL No. 15-12, Delivery of Benefits and Services to Trade Adjustment Assistance (TAA) Program Recipients through the American Job Center Network Delivery System;
- i) TEGL No. 17-16, *Infrastructure Funding of the One-Stop Delivery System*;
- j) TEGL No. 03-19, *Real Property Under Employment and Training Administration-Funded Grants*;
- k) TEGL No. 10-19, *Technical Assistance regarding the Submission Deadline for the Unified and Combined State Plans under the Workforce Innovation and Opportunity Act (WIOA) for Program Years (PYs) 2020-2023 and Other Related Requirements*;
- l) TEGL No. 17-19, *Fiscal Year (FY) 2020 Trade Adjustment Assistance (TAA) Training and Other Activities (TaOA) Grant Management Guidance*; and
- m) TEN No. 02-20, *Announcing the Release of the Trade Adjustment Assistance (TAA) for Workers Final Rule and Amended Information Collections Associated with this Rulemaking*.

### 3) Compliance with Requirements

In performing its responsibilities under this award, the state hereby certifies and assures that it will fully comply with the following requirements:

- a) Real Property. The requirements and restrictions related to real property in 2 CFR 200.439, including compliance with 2 CFR 200.439(b)(3), provide that capital expenditures for improvements to land or buildings, which materially increase their value or useful life, are unallowable as a direct cost, except in cases where the Grant Officer has granted prior written approval.

The requirements relating to Real Property, above and explained in TEGL No. 03-19, *Real Property Under Employment and Training Administration-Funded Grants*, apply. This guidance provides information on using ETA grant funds for capital expenditures and other real property costs, depreciation, maintaining insurance, handling idle facilities and idle facility capacity, retaining records, disposing of real property acquired with ETA grant funds; renting real property, and using and disposing of SWA real property that has DOL equity or Reed Act equity.

- b) Equipment. Equipment purchases under the TAA Program are subject to the provisions at 2 CFR 200.313. Consistent with 20 CFR 683.200(b)(2), the Department delegates the authority of prior approval to the Governor for

### **TAA Program Requirements**

equipment purchases made using TaOA funds. *Note, WIOA delegates authority of prior approval to the Governor for equipment purchases, with the exception of construction related expenses, DOL reserves its right to prior approval for such expenses/projects, see 2 CFR 683.235. Requests for approval for construction related expenses must come to the Secretary of Labor for prior approval.*

- c) Oversight Roles and Responsibilities. Each recipient and subrecipient of funds under the Trade Act, as amended, must conduct regular oversight and monitoring of its program and those of any subrecipients and contractors as required under WIOA sec. 239(i) , as well as under 2 CFR part 200, including 2 CFR §§ , 200.331-.333, in order to:
- i. determine that expenditures have been made against the proper cost categories and within the cost limitations specified in the Act, the regulations, and administrative guidance;
  - ii. determine whether there is compliance with other provisions of the Act, the regulations, and administrative guidance;
  - iii. assure compliance with 2 CFR part 200 and the Department’s exceptions at 2 CFR part 2900; and
  - iv. determine compliance with the nondiscrimination, disability, and equal opportunity requirements of sec. 188 of WIOA, including the Assistive Technology Act of 1998 (29 U.S.C. 3003).
- d) Procedures and Resolution of Findings.
- i. Resolution of subrecipient-level findings.
    - (1) The Governor is responsible for resolving findings that arise from the monitoring reviews, investigations, other Federal monitoring reviews, and audits (including under 2 CFR part 200) of subrecipients awarded funds through the Trade Act, as amended.
      - (a) A state must use the written monitoring and audit resolution, debt collection and appeal procedures that it uses for other Federal grant programs.
      - (b) If a state does not have such written procedures, it must prescribe standards and procedures to be used for this grant program.
    - (2) For subrecipients awarded funds through a recipient of grant funds, the direct recipient of the grant funds must have written monitoring and resolution procedures in place that are consistent with 2 CFR part 200.
  - ii. Resolution of state findings.
    - (1) The Secretary is responsible for resolving findings that arise from Federal audits, monitoring reviews, investigations, incident reports, and audits under 2 CFR part 200 for direct recipients of Federal awards under the Trade Act, as amended.
    - (2) The Secretary will use the Department’s audit resolution process,

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consistent with 2 CFR part 200, Subpart F.

(3) A final determination issued by a Grant Officer under this process may be appealed to the Department's Office of Administrative Law Judges under the procedures in 2 CFR 2900.22.

- e) **Nondiscrimination**. Requirements and restrictions for nondiscrimination and equal opportunity, which are provided in 29 CFR part 38, Implementation of the Nondiscrimination and Equal Opportunity Provisions of WIOA.

**C. Use of Funds**. Funds obligated under this grant award may be used for training (and related costs), employment and case management services, job search allowances, relocation allowances, and related state administration costs incurred in the provision of TAA Program benefits and services to trade-affected workers in accordance with the requirements of the Trade Act, as amended, in effect at the time of filing of the petition under which the workers are covered. The following limitations apply to FY 2021 appropriated funds awarded to the state under this grant award:

- 1) State expenditures for employment and case management services costs must not be less than, but may exceed 5 percent of TaOA funds awarded in a FY, and;
- 2) State expenditures for related state administration costs must not exceed 10 percent of the total amount of TaOA funds awarded to the state in a FY. *Note: If the state does not use the entire 10 percent of funds allocated for related state administration, the state may use the remainder for allowable activities within the rest of TaOA, such as employment and case management, training, and job search and relocation allowances.*

**D. Deobligation of Funds**. The Recipient agrees to accept a deobligation of the TaOA funds, as set forth in the Notice of Award, in the event of underutilization of those funds. The Grantor will consider underutilization of TaOA funds to exist when the Recipient will be unable to use some or all of the unexpended and/or unobligated balance of such funds provided to the recipient within a reasonable period of time. Underutilized funds will be recaptured only after notification to and consultation with the Recipient.

**E. Recapture and Reallotment of FY Funds**. In addition to the information provided in the deobligation of funds clause above, section 245(c) of the Trade Act of 1974, as restored by the TAARA 2015, provides that the Secretary may recapture and reallot funds that were allotted to any state to carry out employment and case management services, training, job search allowances, and relocation allowances, that remain unobligated by the state during the second or third fiscal year after the funds were obligated.

**F. Remedies**. All TAA Program funds must be expended in accordance with the provisions of the AFA and any special terms and conditions of approved funding requests. Any expenditure of funds that does not comply with these provisions will be subject to the enforcement remedies at 2 CFR § 200.339 and 20 CFR §§ 617.52(c) and 617.59(f), or any succeeding regulations. The state will take such action as is reasonably necessary to recover for the account of the United States all amounts paid out as program benefits or services that were erroneously paid to ineligible claimants or others, and to restore any losses or misapplication of funds allocated to the state for TAA Program benefits or services.

**TAA Program Requirements**

**G. Merit Staff.** The state agrees that staff employed to carry out state administration of the TAA Program and funded by the TAA Program, will comply with 20 CFR § 618.890.

**H. Administrative and Program Costs.** The administrative cost limit of the FY 2021 TaOA funding allocation is explained above in paragraph C of this Attachment III, with which states must comply. For purposes of the TAA Program, the costs of administration are the costs associated with performing the following:

- 1) Administrative Costs: Overall general administrative functions of the TAA Program and the coordination thereof within the one-stop center network established under WIOA:
  - i. Accounting, budgeting, financial, and cash management functions;
  - ii. Procurement and purchasing functions;
  - iii. Property management functions;
  - iv. Personnel management functions;
  - v. Payroll functions;
  - vi. Coordinating the resolution of findings arising from audits, reviews, investigations and incident reports;
  - vii. Audit functions;
  - viii. General legal services functions;
  - ix. Developing systems and procedures, including information systems, required for these administrative functions;
  - x. Processing applications for benefits under the Trade Act, as amended;
  - xi. Rendering and issuing eligibility determinations under the Trade Act, as amended;
  - xii. Processing waivers of training requirements under section 231 of the Trade Act, as amended;
  - xiii. Collecting, validating, and reporting data required under the Trade Act, as amended;
  - xiv. Administering Reemployment Trade Adjustment Assistance (RTAA) under section 246 of the Trade Act, as amended;
  - xv. Performing oversight and monitoring responsibilities related to administrative functions;
  - xvi. Costs of goods and services required for administrative functions of the program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space;
  - xvii. Travel costs incurred for official business in carrying out administrative activities or the overall management of the TAA Program;
  - xviii. Costs of information systems related to administrative functions (for example, personnel, procurement, purchasing, property management, accounting and payroll systems), including the purchase, systems development and operating costs of such systems; and

**TAA Program Requirements**

- xix. Specific costs charged to an overhead or indirect cost pool that can be identified directly as a program cost are to be charged as a program cost. Documentation of such charges must be maintained. (Not all indirect costs are administrative and not all administrative costs are indirect). Wherever possible, states must make efforts to streamline the administrative activities and services referenced in this section by minimizing duplication, effectively using information technology to improve services and leveraging resources across programs.
- 2) Program Costs: TAA Program TaOA funds provided under this grant award may be used to cover the cost of training (and related costs), employment and case management services, job search allowances, relocation allowances, and related state administration. As explained above in paragraph C. of this Attachment III, state expenditures for employment and case management services costs must not be less than 5 percent, but may exceed, 5 percent of TaOA funds awarded in a FY. States may use funds provided under this grant for expenditures related to improvements to information systems capabilities, including the purchase, systems development, and operational costs (e.g., data entry), and other costs related to the activities below may be charged to the program cost category:
- a) Tracking or monitoring of participant and performance information, including employment and case management services and activities; and
  - b) Tracking or reporting employment statistics information, including job listing information, job skills information, and demand occupation information.

States should consult the appropriate Regional Office for additional technical assistance related to classification of costs under the Trade Act, as amended.