

## **34 CFR PART 379 -- PROJECTS WITH INDUSTRY**

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APPENDIX A TO PART 379 -- EVALUATION STANDARDS  
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Authority: 29 U.S.C. 711(c) and 795, unless otherwise noted.  
Source: 64 FR 48053, Sept. 1, 1999, unless otherwise noted.

Subpart A -- General

379.1 What is the Projects With Industry (PWI) program?

The purpose of this program is to

- (a) Create and expand job and career opportunities for individuals with disabilities in the competitive labor market by engaging the talent and leadership of private industry as partners in the rehabilitation process;
- (b) Identify competitive job and career opportunities and the skills needed to perform these jobs;
- (c) Create practical settings for job readiness and job training programs; and
- (d) Provide job placements and career advancement.

(Authority: 29 U.S.C. 795(a)(1))

§379.2 Who is eligible for a grant award under this program?

- (a) The Secretary may, in consultation with the Secretary of Labor and with the appropriate designated State unit or units, make a grant under this program to any --
  - (1) Community rehabilitation program provider;
  - (2) Designated State unit (DSU);
  - (3) Employer;
  - (4) Indian tribe or tribal organization;
  - (5) Labor union;
  - (6) Nonprofit agency or organization;
  - (7) Trade association; or
  - (8) Other agency or organization with the capacity to create and expand job and career opportunities for individuals with disabilities.
- (b) The Secretary may make new awards only to those eligible entities identified in paragraph (a) of this section that propose to serve individuals with disabilities in States, portions of States, Indian tribes, or tribal organizations that are currently unserved or underserved by the PWI program.  
(Authority: 29 U.S.C. 795(a)(2) and 795(e)(2))

379.3 Who is eligible for services under this program?

- (a) An individual is eligible for services under this program if --
  - (1) The individual is an individual with a disability or an individual with a significant disability;
  - (2) The individual requires vocational services to prepare for, secure, retain, or regain employment; and
  - (3) The determination of eligibility is consistent with section 102(a) of the Rehabilitation Act of 1973, as amended (Act), 29 U.S.C. 701-796l.

(b) The recipient of the grant under which the services are provided may determine an individual's eligibility for services under this program, to the extent that the determination is appropriate and consistent with the requirements of section 102(a) of the Act. See Appendix B to this part for further information.

(c) Except as provided in paragraph (d) of this section, an individual who has a disability or is blind, as determined pursuant to title II or title XVI of the Social Security Act (42 U.S.C. 401-433 and 1381-1385) --

(1) Is considered to be an individual with a significant disability; and

(2) Is presumed to be eligible for vocational rehabilitation (VR) services under this program (provided that the individual intends to achieve an employment outcome consistent with the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual).

(d) The DSU or recipient of the grant involved may deny an individual services if the DSU or recipient of the grant involved can demonstrate, by clear and convincing evidence, that the individual is incapable of benefiting in terms of an employment outcome from VR services due to the significance of the disability of the individual.

(Authority: 29 U.S.C. 722(a)(3) and 795(a)(3))

#### 379.4 What regulations apply?

The following regulations apply to the Projects With Industry program:

(a) The Education Department General Administrative Regulations (EDGAR) as follows:

(1) 34 CFR part 74 (Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-profit Organizations).

(2) 34 CFR part 75 (Direct Grant Programs).

(3) 34 CFR part 77 (Definitions that Apply to Department Regulations).

(4) 34 CFR part 79 (Intergovernmental Review of Department of Education Programs and Activities).

(5) 34 CFR part 80 (Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments).

(6) 34 CFR part 81 (General Education Provisions Act -- Enforcement).

(7) 34 CFR part 82 (New Restrictions on Lobbying).

(8) 34 CFR part 85 (Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants)).

(9) 34 CFR part 86 (Drug and Alcohol Abuse Prevention).

(b) The regulations in this part 379. (Authority: 29 U.S.C. 711(c) and 795)

#### 379.5 What definitions apply?

(a) The following terms used in this part are defined in 34 CFR part 361:

Act

Community rehabilitation program

Designated State unit

Individual who is blind

Individual with a disability

Individual with a significant disability

Physical or mental impairment  
Substantial impediment to employment

(b) The following definitions also apply to this part:

(1) *Career advancement services* mean services that develop specific job skills beyond those required by the position currently held by an individual with a disability to assist the individual to compete for a promotion or achieve an advanced position.

(2) *Competitive employment*, as the placement outcome under this program, means work –

(i) In the competitive labor market that is performed on a full-time or part-time basis in an integrated setting; and

(ii) For which an individual is compensated at or above the minimum wage, but not less than the customary or usual wage and terms and benefits provided by the employer for the same or similar work performed by individuals who are not disabled.

(3) *Integrated setting*, as part of the definition of "competitive employment," means a setting typically found in the community in which individuals with disabilities interact with non-disabled individuals, other than non-disabled individuals who are providing services to them, to the same extent that non-disabled individuals in comparable positions interact with other persons.

(4) *Job readiness training, as used in 379.41(a)*, means --

(i) Training in job-seeking skills;

(ii) Training in the preparation of resumes or job applications;

(iii) Training in interviewing skills;

(iv) Participating in a job club; or

(v) Other related activities that may assist an individual to secure competitive employment.

(5) *Job training, as used in this part*, means one or more of the following training activities provided prior to placement, as that term is defined in 379.5(b)(7):

(i) Occupational skills training.

(ii) On-the-job training.

(iii) Workplace training combined with related instruction.

(iv) Job skill upgrading and retraining.

(v) Training to enhance basic work skills and workplace competencies.

(vi) On-site job coaching.

(6) *Person served* means an individual for whom services by a PWI project have been initiated with the objective that those services will result in a placement in competitive employment.

(7) *Placement* means the attainment of competitive employment by a person who has received services from a PWI project and has maintained employment for a period of at least 90 days.

(Authority: 29 U.S.C. 711(c) and 795)

Subpart B -- What Kinds of Activities Does the Department of Education Assist Under This Program?

379.10 What types of project activities are required of each grantee under this program?

Each grantee under the PWI program must --

(a) Provide for the establishment of a Business Advisory Council (BAC), comprised of representatives of private industry, business concerns, organized labor, individuals with disabilities and their representatives, and a representative of the appropriate DSU, that will --

- (1) Identify job and career availability within the community, consistent with the current and projected local employment opportunities identified by the local workforce investment board for the community under section 118(b)(1)(B) of the Workforce Investment Act of 1998;
  - (2) Identify the skills necessary to perform those jobs and careers; and
  - (3) Prescribe for individuals with disabilities in fields related to the job and career availability identified in §379.10(a)(1) either --
    - (i) training programs designed to develop appropriate job and career skills; or
    - (ii) job placement programs designed to identify and develop job placement and career advancement opportunities;
  - (b) Provide job development, job placement, and career advancement services;
  - (c) To the extent appropriate, arrange for the provision of, or provide for --
    - (1) Training in realistic work settings to prepare individuals with disabilities for employment and career advancement in the competitive labor market; and
    - (2) To the extent practicable, the modification of any facilities or equipment of the employer involved that are to be used by individuals with disabilities under this program. However, a project may not be required to provide for this modification if the modification is required as a reasonable accommodation under the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. 12101-12213; and
    - (d) Provide individuals with disabilities with supportive services that are necessary to permit them to maintain the employment and career advancement for which they have received training under this program.
- (Authority: 29 U.S.C. 795)

#### 379.11 What additional types of project activities may be authorized under this program?

- The Secretary may include, as part of agreements with grant recipients under this program, authority for the grant recipients to provide technical assistance to --
- (a) Assist employers in hiring individuals with disabilities; or
  - (b) Improve or develop relationships between grant recipients or prospective grant recipients and employers or organized labor; or
  - (c) Assist employers in understanding and meeting the requirements of the ADA, as that Act relates to employment of individuals with disabilities.
- (Authority: 29 U.S.C. 795)

#### Subpart C -- How Does One Apply for an Award?

#### 379.20 How does an eligible entity apply for an award?

To apply for a grant, an eligible entity must submit an application to the Secretary in response to an application notice published in the FEDERAL REGISTER.

(Approved by the Office of Management and Budget under control number 1820-0566)  
(Authority: 29 U.S.C. 795(e)(1)(B))

#### 379.21 What is the content of an application for an award?

- (a) The grant application must include a description of --
  - (1) The responsibilities and membership of the BAC, consistent with section 611(a)(2)(A) of the Act, and how it will interact with the project in carrying out grant activities, including how the BAC will --
    - (i) Identify job and career availability within the community, consistent with the current and projected local employment opportunities identified by the local workforce investment board for the community under section 118(b)(1)(B) of the Workforce Investment Act of 1998;
    - (ii) Identify the skills necessary to perform the jobs and careers identified; and
    - (iii) For individuals with disabilities in fields related to the job and career availability identified under paragraph (a)(1)(i) of this section, prescribe either --
      - (A) Training programs designed to develop appropriate job and career skills; or
      - (B) Job placement programs designed to identify and develop job placement and career advancement opportunities;
  - (2) How the project will provide job development, job placement, and career advancement services to project participants;
  - (3) To the extent appropriate, how the project will provide for --
    - (i) Training in realistic work settings to prepare individuals with disabilities for employment and career advancement in the competitive market; and
    - (ii) To the extent practicable, the modification of any facilities or equipment of the employer involved that are used primarily by individuals with disabilities, except that a project will not be required to provide for that modification if the modification is required as a reasonable accommodation under the Americans with Disabilities Act of 1990;
  - (4) How the project will provide individuals with disabilities with support services that may be required to maintain the employment and career advancement for which the individuals have received training under this part;
  - (5) How the project will involve private industry in the design of the proposed project and the manner in which the project will collaborate with private industry in planning, implementing, and evaluating job development, job placement, career advancement activities, and, to the extent included as part of the activities to be carried out by the project, job training activities;
  - (6) A plan to annually conduct a review and evaluation of the operation of the proposed project in accordance with the program compliance indicators and evaluation standards in Subpart F of this part and, in conducting the review and evaluation, to collect data and information of the type described in subparagraphs (A) through (C) of section 101(a)(10) of the Act, as determined to be appropriate by the Secretary;
  - (7) The factors that justify the applicant's projected average cost per placement, including factors such as the project's objectives, types of services, target population, and service area, and how these factors affect the projection;
  - (8) The geographic area to be served by the project, including an explanation of how the area is currently unserved or underserved by the PWI program; and
  - (9) How the project will address the needs of individuals with disabilities from minority backgrounds, as required by section 21(c) of the Act.
- (b) The grant application also must include assurances from the applicant that --
  - (1) The project will carry out all activities required in §379.10;
  - (2) Individuals with disabilities who are placed by the project will receive compensation at or above the minimum wage, but not less than the customary or usual wage paid by the employer for the same or similar work performed by individuals who are not disabled;

- (3) Individuals with disabilities who are placed by the project will --
- (i) Be given terms and benefits of employment by the Secretary and make those records available for monitoring and audit purposes;
  - (5) The project will provide to the Secretary an equal to terms and benefits that are given to similarly situated nondisabled co-workers; and
  - (ii) Not be segregated from their co-workers;
  - (4) The project will maintain any records required annual evaluation report of project operations as required in §379.21(a)(6) and will submit reports in the form and detail and at the time required by the Secretary; and
  - (6) The applicant will comply with any requirements necessary to ensure the correctness and verification of those reports.
- (c) The grant application also must include the projected average cost per placement for the project, which must be calculated by dividing the sum of the total project costs (i.e., Federal dollar amount of the grant plus the total non-Federal contributions) by the number of individuals the applicant projects in its application will be placed by the project.

(Approved by the Office of Management and Budget under control number 1820-0631)

(Authority: Section 611 of the Act; 29 U.S.C. 795)

[65 FR 18218, Apr. 6, 2000; 65 FR 36633, June 9, 2000]

379.22 What are the application procedures for this program?

The Secretary gives the appropriate DSU an opportunity to review and comment on applications submitted from within the State that it serves. The procedures to be followed by the applicant and the State are described in §§75.155 through 75.159 of EDGAR.

(Authority: 20 U.S.C. 711(c))

Subpart D -- How Does the Secretary Make a Grant?

379.30 What selection criteria does the Secretary use under this program?

- (a) The Secretary uses the procedures in 34 CFR part 75 to select applications and award new grants.
- (b) The Secretary uses the following selection criteria to evaluate an application:
  - (1) *Extent of need for project* (20 points). The Secretary reviews each application to determine the extent to which the project meets demonstrated needs. The Secretary looks for evidence that --
    - (i) The applicant has demonstrated a demand in the competitive labor market of the geographic area to be served for the types of jobs for which project participants will be placed and, if appropriate, trained.
      - (A) The applicant may demonstrate the demand for those jobs by describing an existing current labor market analysis, other needs assessment, or one that it has performed in collaboration with private industry.

- (B) The labor market analysis or needs assessment must be consistent with the current and projected local employment opportunities identified by the local workforce investment board for the community under section 118(b)(1)(B) of the Workforce Investment Act of 1998; and
- (ii) The job placement and, if appropriate, job training to be provided meets the identified needs for personnel in specific occupations or occupational categories in the geographic area to be served.
- (2) *Partnership with industry* (25 points). The Secretary looks for information that demonstrates --
- (i) The extent of the project's proposed collaboration with private industry in the planning, implementation, and evaluation of job development, job placement, career advancement activities, and, to the extent included as part of the activities to be carried out by the project, job training activities; and
- (ii) The extent of proposed participation of the BAC in --
- (A) The identification of job and career opportunities within the community, consistent with the current and projected local employment opportunities identified by the local workforce investment board for the community under section 118(b)(1)(B) of the Workforce Investment Act of 1998;
- (B) The identification of the skills necessary to perform the jobs and careers identified; and
- (C) For individuals with disabilities in fields related to the job and career availability identified under paragraph (b)(1)(i) of this section, prescribing either --
- (1) Training programs designed to develop appropriate job and career skills; or
- (2) Job placement programs designed to identify and develop job placement and career advancement opportunities.
- (3) *Project design and plan of operation for achieving competitive employment* (25 points). The Secretary reviews each application to determine --
- (i) The extent to which the project goals and objectives for achieving competitive employment for individuals with disabilities to be served by the project are clearly stated and meet the needs identified by the applicant and the purposes of the program;
- (ii) The extent to which the project provides for all services and activities required under §379.10;
- (iii) The feasibility of proposed strategies and methods for achieving project goals and objectives for competitive employment for project participants;
- (iv) The extent to which project activities will be coordinated with the DSU and with other appropriate community resources to ensure an adequate number of referrals and a maximum use of comparable benefits and services;
- (v) The extent to which the applicant's management plan will ensure proper and efficient administration of the project; and
- (vi) Whether the applicant has proposed a realistic timeline for the implementation of project activities to ensure timely accomplishment of proposed goals and objectives to achieve competitive employment for individuals with disabilities to be served by the project.
- (4) *Adequacy of resources and quality of key personnel* (10 points). The Secretary reviews each application to determine --
- (i) The adequacy of the resources (including facilities, equipment, and supplies) that the applicant plans to devote to the project;
- (ii) The quality of key personnel who will be involved in the project, including --
- (A) The qualifications of the project director;
- (B) The qualifications of each of the other key personnel to be used in the project; and
- (C) The experience and training of key personnel in fields related to the objectives and activities of the project; and



(D) The way the applicant plans to use its resources and personnel to achieve the project's goals and objectives, including the time that key personnel will commit to the project.

(5) *Budget and cost effectiveness* (10 points). The Secretary reviews each application to determine the extent to which --

(i) The budget is adequate to support the project; and

(ii) Costs are reasonable in relation to the objectives of the project.

(6) *Project evaluation* (10 points). The Secretary reviews each application to determine the quality of the proposed evaluation plan with respect to --

(i) Evaluating project operations and outcomes;

(ii) Involving the BAC in evaluating the project's job development, job placement, career advancement activities, and, to the extent included as part of the activities to be carried out by the project, job training activities;

(iii) Meeting the annual evaluation reporting requirements in §379.21(a)(6);

(iv) Determining compliance with the indicators; and

(v) Addressing any deficiencies identified through project evaluation.

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(Authority: 29 U.S.C. 711(c) and 795)

379.31 What other factors does the Secretary consider in reviewing an application?

In addition to the selection criteria in §379.30, the Secretary, in making awards under this program, considers --

(a) The equitable distribution of projects among the States; and

(b) The past performance of the applicant in carrying out a similar PWI project under previously awarded grants, as indicated by factors such as compliance with grant conditions, soundness of programmatic and financial management practices, and meeting the requirements of Subpart F of this part.

(Authority: 29 U.S.C. 795(e)(2) and 795(f)(4))

Subpart E -- What Conditions Must Be Met by a Grantee?

379.40 What are the matching requirements?

The Federal share may not be more than 80 percent of the total cost of a project under this program. For assistance in calculating the required matching amount, see Appendix C to this part.

(Authority: 29 U.S.C. 795(c))

379.41 What are allowable costs?

In addition to those costs that are allowable in accordance with 34 CFR 74.27 and 34 CFR 80.22, the following items are allowable costs under this program:

(a) The costs of job readiness training, as defined in §379.5(b)(5); job training, as defined in §379.5(b)(6); job placement services; job development and modification; and related support services.

- (b) Instruction and supervision of trainees.
  - (c) Training materials and supplies, including consumable materials.
  - (d) Instructional aids.
  - (e) The purchase or modification of rehabilitation technology to meet the needs of individuals with disabilities.
  - (f) Alteration and renovation appropriate and necessary to ensure access to and use of buildings by individuals with disabilities served by the project.
  - (g) To the extent practicable, the modification of any facilities or equipment of the employer involved that are to be used by individuals with disabilities under this program. However, a project may not be required to provide for that modification if the modification is required as a reasonable accommodation under the ADA.
- (Authority: 29 U.S.C. 711(c) and 795)

379.42 What are the special requirements pertaining to the Client Assistance Program?

Each grantee under a program covered by this part must advise applicants for or recipients of services under its project, or as appropriate, the parents, family members, guardians, advocates, or authorized representatives of those individuals, of the availability and purposes of the State's Client Assistance Program, including information on seeking assistance from that program.

(Authority: 29 U.S.C. 718a)

379.43 What are the special requirements pertaining to the protection, use, and release of personal information?

- (a) All personal information about individuals served by any project under this part, including lists of names, addresses, photographs, and records of evaluation, must be held confidential.
  - (b) The use of information and records concerning individuals must be limited only to purposes directly connected with the project, including project evaluation activities.
  - (c) This information may not be disclosed, directly or indirectly, other than in the administration of the project, unless the consent of the agency providing the information and the individual to whom the information applies, or his or her representative, have been obtained in writing.
  - (d) The Secretary or other Federal or State officials responsible for enforcing legal requirements have access to this information without the written consent of the individual.
  - (e) The final product of the project may not reveal any personally identifying information without the written consent of the individual or his or her representative.
- (Authority: 29 U.S.C. 711(c))

379.44 What are the requirements for a continuation award?

- (a) A grantee that wants to receive a continuation award must --
  - (1) Comply with the provisions of 34 CFR 75.253(a), including making substantial progress toward meeting the objectives in its approved application and submitting all performance and financial reports required by 34 CFR 75.118; and
  - (2) Submit data in accordance with 379.54 showing that it has met the program compliance indicators established in Subpart F of this part.

(b) In addition to the requirements in paragraph (a) of this section, the following other conditions in 34 CFR 75.253(a) must be met before the Secretary makes a continuation award:

- (1) Congress must appropriate sufficient funds under the program.
- (2) Continuation of the project must be in the best interest of the Federal Government.

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(Authority: 29 U.S.C. 711(c) and 795(f)(4))

379.45 What are the additional reporting requirements?

Each grantee must submit the data from its annual evaluation of project operations required under 379.21(a)(5) no later than 60 days after the end of each project year, unless the Secretary authorizes a later submission date.

(Approved by the Office of Management and Budget under control number 1820-0566)

(Authority: 29 U.S.C. 711(c) and 795)

Subpart F -- What Compliance Indicator Requirements Must a Grantee Meet To Receive Continuation Funding?

Source: 65 FR 18219, Apr. 6, 2000, unless otherwise noted.

379.50 What are the requirements for continuation funding?

To receive a continuation award for the third or subsequent year of the PWI grant, a grantee must --

- (a) Adhere to the provisions of its approved application; and
- (b) Meet the minimum performance levels on --
  - (1) The two "primary" program compliance indicators identified in 379.51(b) and described in 379.53(a); and
  - (2) Any two of the three "secondary" compliance indicators identified in 379.51(c) and described in 379.53(b).

(Authority: Section 611(f)(4) of the Act; 29 U.S.C. 795(f)(4))

379.51 What are the program compliance indicators?

(a) General. The program compliance indicators implement program evaluation standards, which are contained in an appendix to this part, by establishing minimum performance levels in essential project areas to measure the effectiveness of individual grantees.

(b) Primary compliance indicators. "Placement rate" and "Change in earnings" are "primary" compliance indicators.

(c) Secondary compliance indicators. "Percent placed who have significant disabilities," "Percent placed who were previously unemployed," and "Average cost per placement" are "secondary" compliance indicators.

(Authority: Sections 611(d)(1) and 611(f)(1) of the Act; 29 U.S.C. 795(d)(1) and 795(f)(1))

379.52 How is grantee performance measured using the compliance indicators?

- (a) Each compliance indicator establishes a minimum performance level.
  - (b) If a grantee does not achieve the minimum performance level for a compliance indicator, the grantee does not pass the compliance indicator.
- (Authority: Section 611(f)(1) of the Act; 26 U.S.C. 795(f)(1))

379.53 What are the minimum performance levels for each compliance indicator?

- (a) Primary compliance indicators.
    - (1) Placement rate. The project places individuals it serves into competitive employment as follows:
      - (i) No less than 50 percent during fiscal year (FY) 2001.
      - (ii) No less than 51 percent during FY 2002.
      - (iii) No less than 52 percent during FY 2003.
      - (iv) No less than 54 percent during FY 2004.
      - (v) No less than 55 percent during FY 2005 and any year thereafter.
    - (2) Change in earnings. (i) Except as provided in paragraph (a)(2)(ii) of this section, the average earnings of all individuals who are placed into competitive employment by the project increase by an average of at least \$125.00 a week over the average earnings of all individuals at the time of project entry.
    - (ii) For projects in which at least 75 percent of individuals placed into competitive employment are working fewer than 30 hours per week, the average earnings of all individuals placed by the project increase by an average of at least \$100.00 a week over the average earnings of all individuals at the time of project entry.
  - (b) Secondary compliance indicators.
    - (1) Percent placed who have significant disabilities. At least 50 percent of individuals who are placed into competitive employment are individuals with significant disabilities.
    - (2) Percent placed who were previously unemployed. At least 50 percent of individuals who are placed into competitive employment are individuals who were continuously unemployed for at least 6 months at the time of project entry.
    - (3) Average cost per placement. The actual average cost per placement does not exceed 115 percent of the projected average cost per placement in the grantee's application.
- (Authority: Section 611(f)(1) of the Act; 29 U.S.C. 795(f)(1))

379.54 What are the reporting requirements for the compliance indicators?

- (a) To receive continuation funding for the third or any subsequent year of a PWI grant, each grantee must submit to the Secretary data for the most recent complete budget period no later than 60 days after the end of that budget period, unless the Secretary authorizes a later submission date. The Secretary uses this data to determine if the grantee has met the program compliance indicators in this subpart F.
- (b) A grantee may receive its second year of funding (or the first continuation award) under this program before data from the first complete budget period is available. However, to allow the Secretary to determine whether the grantee is eligible for the third year of funding (or the second continuation award), the grantee must submit data from the first budget period in accordance with paragraph (a) of this section.

(c) If the data for the most recent complete budget period provided under paragraph (a) or (b) of this section show that a grantee has failed to achieve the minimum performance levels, as required by §379.50(b), the grantee may, at its option, submit data from the first 6 months of the current budget period. The grantee must submit this data no later than 60 days after the end of that 6-month period, unless the Secretary authorizes a later submission date. The data must demonstrate that the grantee's project performance has improved sufficiently to meet the minimum performance levels required in §379.50(b).

(Approved by the Office of Management and Budget under control number 1820-0631)

(Authority: Section 611(f)(2) and 611(f)(4) of the Act; 29 U.S.C. 795(f)(2) and 795(f)(4))

#### Appendix A To Part 379 -- Evaluation Standards

Standard 1: The primary objective of the project must be to assist individuals with disabilities to obtain competitive employment. The activities carried out by the project must support the accomplishment of this objective.

Standard 2: The project must serve individuals with disabilities that impair their capacity to obtain competitive employment. In selecting persons to receive services, priority must be given to individuals with significant disabilities.

Standard 3: The project must ensure the provision of services that will assist in the placement of individuals with disabilities.

Standard 4: Funds must be used to achieve the project's primary objective at minimum cost to the Federal Government.

Standard 5: The project's advisory council must provide policy guidance and assistance in the conduct of the project.

Standard 6: Working relationships, including partnerships, must be established with agencies and organizations to expand the project's capacity to meet its objectives.

Standard 7: The project must obtain positive results in assisting individuals with disabilities to obtain competitive employment.

#### Appendix B To Part 379 -- Presumption of Eligibility

If a DSU determines that an individual is an eligible individual under section 102(a) of the Act, including that the individual meets the definition of an "individual with a significant disability," and refers the individual to a PWI project, the PWI grantee may initiate services to that individual without the need for an additional determination of eligibility. In these instances, the PWI grantee should obtain appropriate documentation of this determination from the DSU.

#### Appendix C To Part 379 -- Calculating Required Matching Amount

1. The method for calculating the required matching amount may be stated by the following formula:

$$X = (Y \div .8) - Y$$

X = Required Match (provided in cash or through third party in-kind contributions)

Y = Amount of Federal Funds

This equation holds true regardless of the total cost of the project. The amount of Federal funds spent in a fiscal year (FY) can never be more than 80 percent (hence, the ".8" in the formula) of the total funds (Federal and non-Federal) spent by the project. Thus, the formula is not dependent on knowing the total cost of the project. One needs to know only that the Federal share can be no more than 80 percent of whatever the total costs may turn out to be. In all cases, the matching contribution is calculated by dividing the amount of the Federal grant award by 80 percent (.8) and subtracting from that result the amount of the Federal grant award.

For example: If the amount of the Federal PWI grant award is \$400,000, the amount of the required match is \$100,000, calculated as follows:

Required match	=	(Am't. of Fed. Funds in FY)	÷	Max. Fed. % of Total)	-	(Am't. of Fed. Funds in FY)
X	=	(\$400,000.....)	÷	.8)	-	400,000
X	=	\$500,000-400,000.				
X	=	\$100,000.				

The matching contribution is never simply 20 percent of the amount of the Federal grant award (i.e., in the above example, NOT .2 x \$400,000).

2. Another consideration is what happens if a grantee carries over unspent Federal funds it received in a fiscal year. If the grantee spends or obligates less than the amount of its Federal its required matching contribution stays the same because the amount of its required matching expenditures or obligations is based on the amount of Federal dollars received in a particular fiscal year. That is, if the grantee carries over any unspent or unobligated Federal funds, the grantee must have spent or obligated the amount of non-Federal funds required for its matching contribution in the same fiscal year in which the Federal funds were received.

For example: If a PWI grantee receives a grant award of \$80,000 in FY 2000, its matching requirement for these funds is \$20,000. If the grantee spends and obligates only \$64,000 in FY 2000, it may "carry over" \$16,000 to FY 2001. However, the grantee must spend or obligate \$20,000 in non-Federal funds in FY 2000 to meet its matching requirements for the \$80,000 it received in FY 2000, even though it does not spend or obligate the entire \$80,000 in FY 2000. If the grantee fails to spend or obligate in FY 2000 the entire \$20,000 in non-Federal funds, the grantee will fail to meet the matching requirement for the \$80,000 it received in FY 2000 and may not carry over the unspent or unobligated \$16,000 to FY 2001.

3. The matching contribution also must comply with the requirements of 34 CFR 74.23 (for grantees that are institutions of higher education, hospitals, or other nonprofit organizations) or 34 CFR 80.24 (for grantees that are State, local, or Indian tribal governments). The term "third party in-kind contributions" is defined in either 34 CFR 74.2 or 34 CFR 80.3, as applicable to the type of grantee.

## **SUPPLEMENTAL INFORMATION – PLEASE NOTE**

### **Compliance Indicators**

Under the PWI program's regulations, the compliance indicators are divided into "primary" and "secondary" compliance indicators. "Placement rate" and "Change in earnings" are "primary" indicators. "Percent placed who have significant disabilities," "Percent placed who were previously unemployed," and "Average cost per placement" are "secondary" indicators. The regulations at §379.50 require that a grantee meet the minimum performance levels of the two designated "primary" compliance indicators and any two of the three designated "secondary" compliance indicators to receive continuation funding.

### **Project Performance Measures**

In order to facilitate the review process for applications submitted to the Department, we request that each applicant include quantifiable goals and objectives (i.e. the total number of persons to be served and placed, the number of persons with significant disabilities to be served and placed, the numbers of persons unemployed 6 months or more prior to project entry to be served and placed, and the projected average cost per placement).

### **Projected Average Cost Per Placement**

The regulations explicitly require the applicant to include in its application the projected average cost per placement for the proposed project. The figure is calculated by dividing the sum of the total project costs (i.e., the annual Federal dollar amount of the grant plus the annual non-Federal match contribution) by the number of individuals proposed in the application to be placed by the project in a given year. Please note that the non-Federal match contribution submitted in the grant application is used in calculating average cost per placement. Two samples for determining a project's achievement under the average cost per placement indicator are provided below--one for a project that passes this indicator and one for a project that fails this indicator. To pass, the actual average cost per placement must not exceed 115 percent of the projected average cost per placement in the grantee's application.

### **CALCULATING ACHIEVEMENT UNDER AVERAGE COST PER PLACEMENT INDICATOR:**

#### **SAMPLE A – Project passing this Indicator**

Sample Project data:

Number placed - 50

Projected number to be placed - 55

Federal funding - \$100,000

Project's match - \$30,000 (Minimum match required - \$25,000)

1. Calculate actual average cost per placement

Total Cost (federal amount + non-federal match contribution) = Actual average cost per placement

Actual number placed

$$\frac{\$130,000}{50} = \$2,600$$

2. Calculate projected average cost per placement

Total Cost (federal amount + non-federal match contribution) = Projected average cost per placement

Projected number to be placed

$$\frac{\$130,000}{55} = \$2,364$$

3. Calculate achievement under the “average cost per placement” indicator:

Actual average cost per placement x 100 = Percent average cost per placement achieved  
Projected average cost per placement

\$2,600 = 110% (the actual average cost per placement does not exceed 115% of the projected average  
\$2,364 cost per placement which means that this project **passed** this indicator)

### **SAMPLE B – Project failing this Indicator**

Sample Project data:

Number placed – 50

Projected number to be placed – 60

Federal funding - \$100,000

Project’s match - \$25,000 (Minimum match required - \$25,000)

Calculate actual average cost per placement

Total Cost (federal amount + non-federal match contribution) = Actual average cost per placement

Actual number placed

$$\frac{\$125,000}{50} = \$2,500$$

Calculate projected average cost per placement



$\frac{\text{Total Cost (federal amount + non-federal match contribution)}}{\text{Projected number to be placed}} = \text{Projected average cost per placement}$

$$\frac{\$125,000}{60} = \$2,083$$

Calculate achievement under the “average cost per placement” indicator:

$$\frac{\text{Actual average cost per placement}}{\text{Projected average cost per placement}} \times 100 = \text{Average cost per placement}$$

$\frac{\$2,500}{\$2,083} = 120\%$  (the actual average cost per placement exceeds 115% of the projected average \$2,083 cost per placement which means that this project **failed** this indicator)