

## FWS Experiment Webinar: Q&A

June 25, 2020

Q1: Due to significant staffing changes at my university, I do not think I can implement this program this year. Is it possible to postpone our participation until 2021-2022?

A1: Yes, you are permitted to postpone your participation until the 2021-2022 award year. If you plan to begin after Fall 2020, we ask that you contact the Experimental Sites team at [experimentalsites@ed.gov](mailto:experimentalsites@ed.gov) to let us know when you plan to begin participating.

Q2: How many hours would students be allowed to work per week? Maximum weekly hours?

A2: As long as the student is not required to work during their class time, they are permitted to work 40 hours a week or more. As always, an institution is required to abide by all federal or state labor laws or other workplace requirements.

Q3: Do the jobs have to be related to a student's major?

A3: If a student is employed with a private for-profit organization as part of this experiment, the work that the student performs must be academically relevant to the student's educational program, to the maximum extent practicable.

Q4: If student receives FWS funds for working over 30 hours per week, will Affordable Care Act (ACA) requirements apply for that student?

A4: The FWS experiment does not waive any laws or regulations outside the Title IV, HEA programs. Therefore, if those requirements would apply for a normal employee, they will also apply to a student employed under this experiment.

Q5: Will there be more Job Location and Development (JLD) funds available during the experiment?

A5: Institutions will receive an additional initial FWS allocation under the experiment that may be used to support an existing JLD program (or to create a new JLD program).

Q6: How long do you expect the experiment to last?

A6: Most experiments are active for at least 3 award years, but some have continued longer. The Department needs time to collect enough data in order to assess the impacts made by the experiment. The Department will provide sufficient notice to participating institutions when a decision is made to end an experiment.

Q7: Will there be additional FWS funding during the experiment? What can we expect?

A7: The Department allocates additional FWS funding for the FWS Experiment using a combination of 1) each institution's FWS expenditures, as reported on the Fiscal Operations and Application to Participate (FISAP) from the previous award year; and 2) the number of each institution's Federal Pell Grant recipients during the same award year. Each year FSA will distribute 25% of the total amount appropriated FWS funds set aside for the FWS experiment based on the proportion of each institution's FWS expenditures to the total FWS expenditures of all participating institutions, and will distribute 75% based on the proportion of each institution's Pell Grant recipients to the total Pell Grant recipients at all participating institutions.

The final amount will be determined each year of the experiment. If your institution chooses to participate during the 2020-2021 award year, it must have returned the signed Program Participation Agreement (PPA) amendment to the Department by July 10, 2020 in order to be considered for additional FWS funding under the experiment. The Department will provide the institution's 2020-2021 additional FWS funding in a Welcome Letter that will be sent to the institution. We will be allocating over \$40 million to participating institutions; however, we know that these additional funds may not cover all expenses related to this experiment. We strongly encourage schools to utilize several different funding sources.

*Q7 Answer updated 10/27/2020*

Q8: How do you anticipate COVID-19 restrictions impacting the availability of jobs that students can actually attend? This first term may be difficult to launch.

A8: We recognize that the COVID-19 pandemic may affect an institution's ability to coordinate employment under the experiment and that some institutions may wish to delay their participation as a result of the current circumstances. You are permitted to delay participation, but if you do so we ask that you inform the Experimental Sites team at [experimentalsites@ed.gov](mailto:experimentalsites@ed.gov) about when you plan to begin.

Q9: Our nursing accreditation prevents clinical sites to pay the students for their clinical rotations. Is there a way for FWS to pay 100% of their clinical work hours or does the employer host site have to pay a percentage of their wage?

A9: Under the experiment, FWS wages for a student who is employed at a private, for-profit organization that is not a small business, as defined in 13 CFR 121, must be paid with no less than 50 percent non-federal share. Under the experiment, FWS wages for other employers must be comprised of no less than 25 percent of funds from non-federal sources. [NOTE: The CARES Act waives the non-federal share requirement for FWS wages (except for employment at for-profit employers) for the 2019-2020 and 2020-2021 award years. Please see the [Electronic Announcement published May 15, 2020](#) for more information.]

Q10: Is the additional funding for all schools in this experiment or just those with a graduation rate of 50% or higher?

A10: Additional FWS funding will be available to all institutions that are participating in the experiment. As described in the Federal Register notice, the provision that requires funding be

disseminated to schools with graduation rates or transfer rates of 50% or higher was waived for this experiment. More information about the additional FWS funding your institution will receive as part of the experiment will be included in a **Welcome Letter** to be sent to your institution.

Q11: My FWS allocation was already increased, I thought this was due to experiment? Can I expect more?

A11: We have not yet awarded any funding to institutions participating in this experiment. Therefore, should you have any questions about your FWS allocation or your supplemental allocation, please contact the COD School Relations Center at [CODSupport@ed.gov](mailto:CODSupport@ed.gov), 1-800-848-0978.

However, if you participate in the experiment and have returned your signed PPA by the deadline, you will receive additional FWS funding as part of your participation. That funding must be used specifically for the purposes of the FWS experiment. More information about the additional FWS funding your institution will receive as part of the experiment will be included in a Welcome Letter to be sent to your institution.

Q12: Can the additional amount also be used to create a JLD program?

A12: Yes, as described in the Federal Register notice, the additional funding that a participating institution receives can be used to create a JLD program.

Q13: Does the waiver that increases the federal share that may be paid for FWS wages at for-profit employers defined as small businesses to 75% in effect become 100% for schools with a Title III/Title V Waiver? Or does it cap at 75%?

A13: No. Participation in the FWS Experiment provides the flexibility to increase the federal share dollars that make up a student's compensation to 75% for a small business as defined in 13 CFR 121, which means the non-federal match of 25% of wages paid for work performed for private for-profit small-businesses must be provided. Wages for a private, for-profit organization that is not a small business as defined in 13 CFR 121, must be paid at 50 percent federal share and 50 percent non-federal share. Regardless of your participation in the experiment, there is no waiver of the non-federal match for jobs at for-profit employers. This means that even if your school was designated as a Title III or Title V school, you are still required to provide the match.

Q14: Will the underuse waiver be reopened or should we expect the CARES relief to continue if we are remote?

A14: The Department's flexibilities and relief related to COVID-19, including those for FWS, will continue for the duration of the COVID-19 national emergency.

Q15: If students are working full time then is the institution responsible for taxes and state required sick leave?

A15: As mentioned earlier, nothing in the FWS experiment waives normal wage and labor laws, including laws or requirements related to taxes and sick leave. You must always comply with such requirements.

Q16: Would FWS Experiment positions be those only in private for-profit organizations instead of non-profit?

A16: Jobs created under the experiment may be at public, non-profit, private, or for-profit employers, including those that meet the definition of a small business. This includes apprenticeships, clinical rotations, or student teaching.

Q17: If our students are not coming back to campus this fall, how will FWS work?

A17: As mentioned earlier, we expect that some institutions may experience challenges identifying employment for students as a result of COVID-19. You have the option of allowing students to work remotely, or you may determine that you need to delay participation in the experiment.

Q18: Will the Dept of Education provide funds for a coordinator? (It is our understanding that FWS funds can be used to pay up to 80% of the allowable costs to operate a JLD Program, such as staff salaries, supplies, and travel. The remaining costs (20%) are paid by an institution either in cash or in services.)

A18: The Federal Register notice states that an institution can hire an individual to assist with an institution's JLD program. Schools are permitted to pay for a JLD coordinator. This position may be part-time or full-time; however, the institution must demonstrate that it has met the JLD requirements for use of FWS funds for this purpose as prescribed under CFR 34 Subpart B, 675.31-675.37.

Q19: What is the definition of "small business"?

A19: The Small Business Administration (SBA) sets numerical definitions, or "size standards" for every small business in the United States based on the number of employees and average annual receipts of the business. Institutions are encouraged to review the SBA regulations at 13 CFR 121 when creating partnerships with small businesses.

Q20: There is a 7% community service off campus FWS program. Do I continue to administer this separately from the FWS Experiment?

A20: While participating in this experiment the 7% community service requirement is waived. However, a school is still permitted to meet the requirement. Participation in this experiment should not impact your work toward meeting the 7% community service requirement should you choose to do so.

Q21: If my institution is Title III-eligible, will we still be able to use that eligibility for this Experiment and fully pay our students with 100% of this funding from the FWS Experimental funding?

A21: If an institution has been designated as an eligible institution under Title III or Title V, it qualifies for a waiver of the non-federal matching share requirement for wages paid at public or non-profit employers, including for jobs created under the FWS Experiment. However, the institution is still required to provide the non-federal match of 25% of wages paid for work performed for private for-profit small businesses. Wages for a private, for-profit organization that is not a small business as defined in 13 CFR 121, must be paid at 50 percent Federal share and 50 percent non-federal share.

Q22: Do we need to inform students about the experiment? Are we required to receive their permission to release the data?

A22: As part of its compliance with the regulations at 34 CFR 668.41, each participating institution is expected to disclose its participation in an experiment under the Experimental Sites Initiative to current and prospective students. Institutions are also expected to inform individuals whose data will be reported to the Department regarding their participation in the experiment. Below, we provide sample text to be included in notifications to such students.

#### Draft notice

[School name] is participating in a Federal Work-Study Program (FWS) experiment. As a result of this participation, some recipients of FWS at [school name] are allowed to earn postsecondary funding under special guidelines and rules related to the experiment. The U.S. Department of Education (Department) conducts experiments, such as this one, in order to evaluate the effectiveness of a proposed policy change, and the extension and/or modifications to be made to the larger group of colleges and universities. Therefore, the Department will collect data on the following aspects as a participant in this experiment: financial aid, enrollment, course enrollment, work-study position(s), program completion, and future employment. The information collected includes personal identifying information (PII) that will enable the Department to link information from multiple sources and data collected at different times. It is important to note that this data collection involves only the use of your information that has been already been disclosed to your school or is required to be reported by your school to the Department. In the publication of the report, the Department will only publicly share aggregate-level statistics as required by Congress in our final report. By allowing the Department to use your information you are enabling the Department to inform future financial aid policy decisions. If you do not want your information included in the evaluation, please contact [School name]'s financial aid office to opt out. (schools may want to add a specific contact person).

Q23: If we are requesting to start next year do we still need to sign the PPA?

A23: Regardless of when an institution chooses to begin participation, it should sign and return the amended PPA to the Department. If an institution wishes to be considered for additional FWS funding under the experiment for the 2020-2021 award year, it must return the signed PPA to the Department by July 10, 2020 in order to be considered for additional FWS funding. If an institution chooses to delay participation until the 2021-2022 award year, it must still return the signed PPA to

the Department and must also notify the Department that it wishes to delay participation until the 2021-2022 award year. This notification can be sent to: [ExperimentalSites@ed.gov](mailto:ExperimentalSites@ed.gov).

Q24: Will there be funding to support someone to coordinate this program and build partnerships with new FWS employers?

A24: If your school is creating a JLD program, you are permitted to use FWS funds for the JLD coordinator. However, you are not permitted to displace any non-FWS employees.

Q25: Will the funding allocation change yearly once a school decides to participate by signing the PPA?

A25: Going forward, if there is funding available for a given award year the Department will provide each participating institution with additional FWS funding under the experiment before the beginning of that award year. The amount each year will vary depending upon the number of participating institutions during a given award year and the amount of funding available for the experiment in that award year.

Q26: Does the length of the experiment change if we delay participation to a future year?

A26: If the institution chooses to delay participation to the 2021-2022 award year, it will not have any impact on the length of the experiment other than the fact that the institution will miss the first year of participation.

Q27: Any suggestion on how to select students for student teaching/clinical experiment - and how to explain this to students not included?

A27: Institutions must select students for participation in the experiment that have FWS eligibility per the institution's established packaging parameters. Each institution has the discretion to determine how best to equitably offer FWS employment to eligible students, including under the FWS Experiment.

Q28: If paying student teachers hourly (undergraduate) should they be paid overtime?

A28: All applicable federal, state or local laws regarding labor and wages must be followed.

Q29: Do we have to do all the experiment offers? For example, new jobs in private, paid internships, expand JLD, etc.?

A29: The waivers granted under the experiment are outlined in the amended PPA. An institution can choose which waivers it implements and does not have to implement all waivers. Your school is not required to create jobs in all sectors of employment.

Q30: Is there a requirement that school must spend certain % of the special allocation? If we get \$500k allocation but due to COVID uncertainty, we end up spending \$5k, is this OK?

A30: There is no requirement to spend a specific dollar amount. However, the additional initial funding you receive specifically for this experiment may only be spent for FWS jobs under the experiment. The funding a school receives specifically for the experiment is not subject to the underuse penalty.

Q31: If an institution has many strong employer relationships already established, are you saying that those partnerships are not able to be used in the experiment? Since it references new relationships only?

A31: Although participating institutions should build strong relationships with any new employers it may also continue to partner with current employers with which it already has established relationships.

Q32: Since the experimental FWS allows full time employment, I assume these students must receive benefits. For example, sick leave, vacation, unemployment, etc. Is this true?

A32: All applicable federal, state, or local laws regarding labor and wages must be followed.

Q33: What about benefits if a student works full time - who covers health, dental, leave benefits?

A33: Fringe benefits are not permitted to be paid from FWS funds. The school must either work with the employer to pay those benefits or pay these benefits from a separate non-FWS account.

Q34: If you return the PPA amendments but decide to delay participation to 2021-2022, what happens with the additional FWS allocation for 2020-2021?

A34: If an institution chooses not to participate during 2020-2021, it will not be considered for additional FWS funding for that award year. If an institution chooses to delay implementation until 2021-2022, it will be considered for additional FWS allocation for that award year. The additional allocation is award year specific and will be calculated annually.

Q35: Can you have both undergraduate (hourly) and graduate (salaried) at the same school?

A35: Yes, you may employ both undergraduate and graduate students in this experiment.

Q36: My institution normally hired students to perform tutoring with America Reads. Now that there is no longer a requirement for Community Service or America Reads, can we pay these students from the "Experiment" funds, or must they still be paid with our initial authorization?

A36: If you are counting these students as part of the experiment, you are permitted to pay them with FWS experiment funds; however, if you are not counting them as FWS workers under the experiment, you are not permitted to pay them with any funding (additional FWS allocation) received as part of the experiment.

Q37: Will each student's FWS allocation be increased in order to allow them to work more hours? I don't understand how they can work full time when their allocation is usually only \$2,000?

A37: The school will determine each student's FWS award based on eligibility and need. Institutions should carefully consider the amount of a student's award, the percentage of FWS funds that it chooses to match with non-federal funds, and the number of hours that the student is scheduled to work. More information on this topic will be provided in the Federal Work Study Experiment Toolkit.

Q38: When will the recorded webinar be available?

A38: The Department will post a link to the recording of the webinar as soon as possible after the session. Once the recording is available for viewing, the Department will provide instructions for viewing to all participating institutions.

Q39: From which Department of Education office was the PPA amendment sent?

A39: The PPA amendments are sent to the institution's President or CEO by Federal Student Aid's School Participation Division.

Q40: I'm a bit unclear on how student teachers may benefit. Could you explain?

A40: Student teachers could be included in this experiment. Your institution would need to decide how best to fund payment of the student teachers under the experiment.

Q41: Will experimental workers be allowed to receive unemployment and up to maximum earnings or a set amount?

A41: Unemployment requirements may vary under federal, state, or local employment laws. All such laws, including regarding unemployment insurance, must be followed.

Q42: Students being paid for performing the same duties as other students not being paid is a potential conflict with regulations. Please explain how this is going to be addressed.

A42: This experiment does not waive the requirement that students must be eligible for FWS to receive an FWS award. Schools are permitted to pay students who are not eligible for FWS with non-FWS funds. This practice would not create a conflict in the regulations.

Q43: If we're unable to spend our additional initial allocation what are the consequences? If we are not participating in JLD now, can we add one?

A43: A school may develop a JLD program if desired. The funding a school receives specifically for the experiment is not subject to the underuse penalty. When an institution underspends its non-experiment FWS allocation by more than 10%, the institution should either return funds or request an underuse waiver so that the institution is not penalized by this underuse of funds.

Q44: If we participated this year, would we be able to have someone design the project with our employers for this first year and start placing students in the following year?



A44: It is acceptable if the institution begins developing relationships with employers during the first year (2020-2021) and does not begin awarding and placing FWS students under the experiment until 2021-2022 award year.

Q45: Can we pay student teachers for travel time?

A45: The FWS regulations allow institutions to pay students for a reasonable amount of time spent for travel that is directly related to employment in community service activities. However, student teaching positions would normally not be considered community service.

Q46: Will this primarily be offered to student teaching positions only?

A46: No, the provisions of the experiment can be applied to other positions in addition to student teachers.

Q47: Students may be working alongside other students who do not have need. Is this allowed within the Title IV guidelines for FWS?

A47: FWS awards are based on need; therefore, there is not a violation in the Title IV regulations. This experiment did not waive the eligibility criteria for students to receive FWS.

Q48: Will experimental funds be exempted from the normal over-award provisions of Title IV?

A48: Overaward provisions are not waived under the experiment.

Q49: Do I need to show an increase in the number of opportunities, or can I just pay those already doing student teaching/clinical? I'm assuming you want to see an increase?

A49: You will be required to report on existing and new opportunities created under the program. There is not a requirement that new opportunities be created under the experiment. However, we strongly encourage schools to create opportunities for students.

Q50: In your presentation you said students who are earning academic credit cannot be paid unless the employer would normally pay a person for the same job, but then in the Q&A you have indicated we can pay students for clinical or student teaching experiences. Can you clarify further?

A50: Under normal requirements in 34 CFR 675.20(d), a student who is receiving academic credit for a position may not be paid FWS wages for that job unless the employer would normally pay the person for the same position. However, the waivers and flexibilities in the FWS experiment allow institutions to pay FWS wages to enable employment opportunities "related to the student's academic program," including for student teachers and students in clinical rotations, even if those positions would not normally be paid.

Q51: Due to COVID Can PPA amendment signatures be electronic?

A51: Instructions for PPA amendment electronic signatures were sent to the institution's President's Office along with the PPA amendment. Because of the disruption caused by the COVID-19 pandemic, we recognize that many institutions may have difficulty signing and returning the PPA amendment by regular mail, and there may be a delay in our receipt of mailed documents. Therefore, we asked that institutions email an electronic copy of the document rather than send a signed copy by mail. Institutions have several options for preparing the document electronically:

- 1) Sign the amendment with an image of your signature by placing a photo of your signature in the image box on the signature line for the institution. The signature must be manually drawn, even if digitally. Font-based signatures and certificate-based signatures are not authorized for use. To use a photo of your signature, you must have a digital copy of your signature available for download. To create a digital copy of your signature you can scan and save the image of the signature to your files. You will then be able to select the image when you click on the image box in the document. Use the text boxes to enter a date, and your name and title, before you save the document and email it to the Department from an institutional email account.
- 2) Print and sign the document, scan the signed copy, and email the signed copy to the Department from an institutional email account.

Q52: For our clinical experiences, are we allowed to both charge students tuition for their academic credits and pay students through the experimental FWS allocation?

A52: Yes. See the response to Q50 above.

Q53: What happens if we get an allocation and then cannot secure the internships needed because employers are not interested or unable for some reason?

A53: The funding a school receives specifically for the experiment is not subject to the underuse penalty. When an institution underspends its non-experiment FWS allocation by more than 10%, the institution should either return funds or request an underuse waiver so that the institution is not penalized by this underuse of funds.

Q54: Our FWS students on campus are paid our minimum wage (\$15 per hour). If outside participating agencies have a higher pay rate (\$18 per hour), do we have to increase students' pay rates?

A54: Institutions must pay students either the higher of the Federal or the local or State minimum wage rate. If another agency has a higher wage rate (higher than the minimum wage rate), that does not impact the institution's FWS position. The institution can choose to pay the higher rate but is not required to do so unless doing so is required by other federal, state, or local employment laws.

Q55: If the employer portion of pay is not submitted to the institution, is the institution responsible for 100% wage payments?

A55: The school is permitted to create partnerships that require the outside employer to provide the non-federal match. However, it is ultimately the school's responsibility to provide the match when applicable.

Q56: If schools underspend their additional initial allocation that are purposed for the experiment, are they subject to penalty? Must a waiver be requested?

A56: The underuse penalty has been waived under this experiment, but only for the additional initial funds provided for the experiment.

Q57: Are we required to spend at least 90% of the special allocation for the experiment, besides spending 90% of the normal allocation?

A57: The underuse penalty has been waived for the additional initial FWS allocation only; therefore, a school is not required to complete a waiver for the funds received under the experiment. If your institution under-utilized its non-experiment allocation by more than 10%, it should complete an underuse waiver.

Q58: Will any carryforward of FWS to the 2020-2021 award year impact the amount of the additional FWS allocation for this ESI? We have more carryforward due to COVID, but under 10% of allocation.

A58: No, there should not be an impact to your funding if you have carried forward any FWS funds. However, an institution must first use any funding that was carried forward from a preceding award year before using their current allocation. Funding under the FWS experiment is based on previous Pell Grant recipients and FWS expenditures during the award year that occurred two years prior and for which information was included on the most recent FISAP.

Q59: How can students work full time if they have an individual limit of \$1,500 per semester?

A59: The school determines how much funding a student is awarded.

Q60: For student teaching students, is it acceptable to pay them to work in different communities outside of the community that the university is in?

A60: The requirements of the experiment would not prevent a student from working anywhere in the country, including at an employer near the student's home.

Q61: What if that employer does not have other dollars?

A61: The school is still responsible for providing the non-federal matching share requirement, if applicable.

Q62: What is the best way to collect employer wage contribution in your experience?

A62: The Department is not in a position to answer this question as it is the school's responsibility to ensure all matching requirements are met.

Q63: How can one ensure the job description for the off-campus sites is not replacing a regular employee since we probably are not familiar with their job/organizational structure?

A63: It is the responsibility of the institution to ensure that displacement of a regular employee is avoided. We strongly encourage participating institutions to confer with their legal department when creating on-campus jobs.

Q64: If clinical rotation and student teaching cannot have employer wage contribution, can institution pay 100% FWS funds with no penalty?

A64: It is the institution's responsibility to provide the non-federal matching share requirement unless the institution is a Title III or Title V institution and the student is employed with a public or non-profit employer.

Q65: Do you expect that funding will be evenly divided between institutions who returned the PPA, or variant based on institutional size, student numbers, or other factors?

A65: Funding will be divided among the schools participating in the experiment and will be based on expenditures for the award year for which the institution reported on its most recent FISAP.

Q66: Can our current funds be used towards the experiment?

A66: Yes, your institution is permitted to use its initial allocation for FWS jobs under this experiment.

Q67: Is the experiment limiting the number of hours a student is allowed to work?

A67: No, this experiment has not limited the number of hours a student worker is permitted to work. However, note that while under the experiment a student is permitted to work full-time, an institution is not required to employ its FWS students in a full-time status.

NOTE: This document includes the Q&A that was part of this June 2020 webinar. The ESI website has developed Q&A documents for all active experiments including FWS. Please refer to the FWS Q&A document for updated Q&A guidance:

<https://experimentalsites.ed.gov/exp/pdf/FederalWorkStudyFAQ.pdf>.