



MAY 06 2008

VETERANS' PROGRAM LETTER NO. 04-08

TO: ALL REGIONAL ADMINISTRATORS AND DIRECTORS FOR
VETERANS' EMPLOYMENT AND TRAINING
ALL STATE AGENCY ADMINISTRATORS
ALL REGIONAL ADMINISTRATORS, EMPLOYMENT AND
TRAINING ADMINISTRATION (INFO)

FROM: 
CHARLES S. CICCOLELLA

SUBJECT: Jobs for Veterans' State Grant Annual Funding Modification Requests for
Fiscal Year 2009

- I. **Purpose:** To provide updated guidance, instructions and forms to States for submission of annual funding requests to modify annually approved Jobs for Veterans State Grant five-year plans.
- II. **References:** Title 38, United States Code (38 U.S.C.), Chapter 41 as amended by Public Law (P.L.) 109-461 enacted December 22, 2006, 38 U.S.C. Chapter 42; Special Grant Provisions for Jobs for Veterans State Grants, October 1, 2004 – September 30, 2009, dated October 1, 2007; Veterans' Program Letter (VPL) 03-08, dated April 21, 2008; VPL 01-08 dated November 29, 2007; VPL 02-07, dated May 1, 2007; VPL 07-05, dated July 27, 2005; VPL 05-05, dated May 23, 2005; VPL 03-04, dated April 16, 2004; and Training and Employment Guidance Letter (TEGL) 04-06, dated August 15, 2006.
- III. **Rescissions:** This VPL supersedes VPL 03-07, dated May 10, 2007.
- IV. **Background:** In Fiscal Year (FY) 2005, States submitted five-year program and budget plans for the Jobs for Veterans State Grants to receive funds to staff Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representative (LVER) positions authorized under the Jobs for Veterans Act. These grants cover the period from October 1, 2005 to September 30, 2009 and are administered in accordance with guidance issued by Veterans' Employment and Training Service (VETS). VETS annually projects new allocation targets and provides due dates for submission of Annual Funding Modification requests.

- V. **Summary of Changes:** The changes to the annual funding request process are summarized below:
- States are no longer required to provide Indirect Cost information in Section F of the two Standard Form (SF) 424A forms;
 - The forms needed to complete the annual funding modification, with VETS specific instructions for their completion, are now located at www.dol.gov/vets; and
 - The 02 version of SF 424 which expires on 01/31/2009 must now be used; the Grant Officer will not accept previously issued versions of the SF 424.

- VI. **Modification of the State's Program Plan:** States should review their most current, approved Program Plan to ensure it continues to meet all guidelines established in legislation, regulation and policy. States may amend their Program Plans to reflect any changes to the scope of work, addition of new programs, or adoption of new initiatives to serve veterans.

Some examples of changes to a previously approved State Plan that would necessitate a modification to the Program Plan include, but are not limited to:

- A State's election to utilize or not utilize staff to facilitate Transition Assistance Program (TAP) Employment Workshops;
- A State's utilization of Incentive Award funding;
- Labor market conditions that affect employment opportunities for veterans;
- Strategies to provide priority of service or improve utilization/integration of DVOP and LVER resources within the One-Stop Career Center;
- DVOP and LVER staff coordination with and assistance to all Homeless Veterans' Reintegration Project and Veterans' Workforce Investment Program (HVRP/VWIP) providers operating in the State;
- Targeted populations of veterans to be served; and/or
- The organization or organizational structure of the State entity administering the Jobs for Veterans State Grant.

States should consult their respective Director for Veterans' Employment and Training (DVET) to determine whether a particular situation requires a modification to their approved Program Plan. When changes are made to the Program Plan, States should not submit copies of the entire plan. They should provide the language that is being replaced, added, and/or deleted and reference the page number of the original document being changed. If no changes to the Program Plan are needed, the transmittal memorandum should include a statement to that effect.

States will be required to negotiate performance outcomes for services to veterans under separate guidance. These outcome goals will be incorporated into each State's Program Plan after final approval.

- VII. **Modification of the State's Budget Plan:** Congress appropriates funding for the DVOP and LVER programs on an annual basis; therefore a new Budget Plan must be submitted each year. Two SF 424A forms, one for DVOP and one for LVER, will be completed to specify how the State plans to divide its grant allocation between the two programs.

Cost estimates will be listed by object class category in accordance with instructions for completing the SF 424A.

Special Initiatives: The only Special Initiative costs that may be included in Annual Funding Modification Request are those for Intergovernmental Personnel Act (IPA) assignments that expire after the beginning of the FY for which funding is being requested. Grant funding may only be requested for the remaining portion of the IPA contract. The total amount requested will be indicated in Section B, Column (2) on the appropriate SF 424A (DVOP or LVER).

NOTE: All applications for Special Initiatives that do not meet the criteria above should be submitted as a separate modification request in accordance with the guidance provided in VPL 03-08. These requests may be submitted at the same time as the Annual Funding Modification Request or at a later date. Requests for Special Initiative funding will be evaluated only when funds are available. Consideration of the all Special Initiative requests will be based on merit. Therefore, States should clearly describe costs and the expected quantifiable outcomes associated with any proposed Special Initiatives.

Incentives: 38 U.S.C., Chapter 41 requires one percent (1%) of the total grant allocation to be set aside for Performance Incentive Awards. Incentive Award Plans must meet the criteria set forth in VPL 02-07. States that request Incentive Award funding must have an approved plan or submit an Incentive Award Plan for approval with the Annual Funding Modification Request.

TAP: The funds requested by the State to facilitate TAP Employment Workshops are in addition to the funding allocation provided by VETS in Attachment I. The total amount requested will be indicated in Section B, Column (4) on the LVER SF 424A, regardless of which State personnel facilitate the workshops. The number and location of workshops these funds will support will be listed on the TAP Employment Workshop Forecast form located at www.dol.gov/vets.

NOTE: VPL 01-08, Transition Assistance Program (TAP) and Disabled Transition Assistance Program (DTAP) Memorandum of Understanding (MOU) Guidance, tasked DVETs to coordinate with Department of Defense TAP managers to ensure all employment workshops are two and a half (2 ½) days in length by December 31, 2007. Additionally, TAP managers were tasked to increase participation rates which may have resulted in the need to schedule additional workshops to meet demand. States should ensure the spending forecast to facilitate TAP Employment Workshops in the Annual Funding Modification Request is sufficient to cover the projected number of workshop hours projected by each TAP site.

Postage: Beginning in FY 2008, funds provided to the States for postage were added to the Jobs for Veterans State Grant allocation and counted in the total grant funds expended with no additional accounting or reporting requirements. VETS no longer sets aside an amount equal to one-percent (1%) of the amount annual allocation to States for postage.

Indirect Costs: Indirect costs are incurred for common or joint objectives that cannot be readily identified with a particular grant, contract or other activity of the organization. Based on the cost principles established in the Office of Management and Budget (OMB) Circular A-87, States support the indirect costs that they incur by submitting an Indirect Cost Rate proposal or a Cost Allocation Plan to the Division of Cost Determination for negotiation and approval.

States use a variety of “bases” to forecast and report indirect charges, e.g. salaries or wages plus fringe benefit costs, total direct costs etc. To ensure fiscal integrity, VETS’ Grant Officer Technical Representatives review indirect charges to ensure they fall within the negotiated rate, or for States with approved Cost Allocation Plans, that they seem reasonable when compared to historical charges.

VIII. Submission of the Annual Funding Modification Requests: The total FY 2009 base funding estimate for each State is provided in the Preliminary Estimate of Funding column of Attachment I. This column includes the 1% set aside that can only be used for approved Incentive Award Programs and the 1% set aside that is designated for postage. The last column contains Preliminary Estimate of Funding for States that do not plan to use Incentive Award funding. States should use the appropriate allocation estimate to develop their Budget Plan. Please note that neither “Estimate of Funding” provided in Attachment I includes funding to facilitate TAP Employment Workshops. These costs are forecast and requested in addition to the State’s estimated allocation.

States should thoughtfully plan the number of positions that can be supported by the annual base allocation. DVETs will compare the cost per position forecast in the annual funding modification to the current cost per position computed from the quarterly financial data submitted by the State. They will also consider the impact of known pay raises, increases in benefit costs, and other factors that may increase the cost per position in the upcoming fiscal year. States may only forecast the number of positions that the base allocation will support considering historic vacancy rates. Requests for funding to support additional positions must be submitted separately using the process described in VPL 03-08 and must include an attrition plan to reduce positions to the number that can be supported by the base allocation.

Two of the documents required for any funding request, the Transmittal Memorandum and SF 424, must be signed by a person authorized to enter into an agreement with the U.S. Department of Labor (USDOL). Under normal circumstances, governors delegate this signature authority to the person who manages the grantee agency, i.e. State Agency Administrator, Director, Commissioner, etc. This person may further designate his or her signature authority. If the documents listed above are signed by the person given signature authority by the governor, the Transmittal Memorandum must contain a statement that the signatory is authorized to enter into an agreement with the USDOL. If one or both of the documents are signed by someone else, a delegation of signature authority must be included with the modification. These documents cannot be signed “for” another person unless the name of the person who signed can easily be discerned and a signature delegation for that person is included with the modification.

The following documents are used to request annual funding:

A. Transmittal Memorandum (required) – This memorandum is signed by an authorized agency representative and submitted to the DVET in hard copy. It must convey:

- An assurance that the State will comply with 38 U.S.C., Chapters 41 and 42;
- The number of full-time and half-time DVOP specialists and LVER staff the State has determined can be fully supported by the allocation amount. If there is a difference between the numbers listed in the transmittal memorandum when compared to those listed in the Staffing Directory, the transmittal memorandum will contain an explanation for the difference;
- A brief summary of proposed changes (referenced by the page number of the document being amended) to the State’s approved Program Plan;
- An assurance that the Central Services Cost Allocation Plan or Negotiated Indirect Cost Rate is the same used in the most current approved plan, or that the appropriate cost methodology documentation is included in the Annual Funding Modification Request; and if applicable
- A description of the equipment (with a useful life of more than one year and a per-unit cost of \$5,000 or more) that would be purchased if forecast spending is approved.

B. Annual Budget Plan (required) - Current versions of all financial forms that are needed to complete an Annual Funding Modification Request are now available electronically as an Excel workbook located at www.dol.gov/vets. The SF 424, Request for Federal Domestic Assistance and SF 424A, Budget Information, provided as separate electronic worksheets, contain standardized information and locked cells where no entry of information is needed. Many worksheets cells are linked to self-populate other cells. States are strongly encouraged to use the electronic forms designed to minimize errors and eliminate extraneous information. The Excel workbook includes an:

1. **SF 424A (DVOP) and SF 424A (LVER)** – Complete the form in accordance with the instructions provided with the form. Enter the abbreviation for the State name, the Grant Number, and the Date Prepared at the top of the first page of the SF 424A. If using the electronic forms provided on the VETS homepage, entering this information on the front page of the SF 424A (DVOP) will populate the rest of the forms. Ensure the fourth character in the grant number is “9” which represents the fiscal year for which the funding is being requested, FY 2009.

The Object Class Category for “Equipment” should be blank unless the forecast spending is for purchases of equipment with a useful life of more than one year and a per-unit cost of \$5,000 or more. If this is the case, the Transmittal Memorandum must contain a description of the equipment that would be purchased if approved.

2. **SF 424** – The SF 424 must be signed by an authorized signatory as described above and must be free of white-out or pen and ink changes. If it contains any such changes, a revised and signed original copy must be resubmitted free of such changes. If the instructions for a particular block say “Leave Blank,” it should not contain any information. Errors, omissions, and/or extraneous information may cause the form to be returned for correction.

Indicate the total amount of funds requested for DVOP and LVER activities on line 18a. This amount cannot exceed the appropriate amount (with or without Incentive Award funds) allocated to the State in Attachment I. Line 18e. should include the amount of funds requested to facilitate TAP Employment Workshops and/or Special Initiatives for continuing, approved IPAs (described in paragraph VII. above). The sum of Line 18a. and Line 18e. is listed on Line 18g. and will include all funds requested for DVOP, LVER, TAP, Incentive Awards, and approved, continuing Special Initiatives for IPA staff. All numbers listed on the SF 424 must be rounded to the nearest thousand.

The Jobs for Veterans State Grant is covered by Executive Order 12372. A current list of States that maintain a Single Point of Contact (SPOC) for reviewing applications for Federal assistance can be found at: <http://www.whitehouse.gov/omb/grants/spoc.html>. States should check Line 19a and insert a date the application was submitted for review only if the State maintains a SPOC. If the State does not have an entity designated as a SPOC, or the SPOC does not select to review this submission, the State should check 19b. Box 19c should never be checked by any entity requesting funding under the Jobs for Veterans State Grant.

- C. **Staffing Directory (required)** – P.L. 109-461 stipulates that all DVOP specialists and LVER staff appointed to their position after January 1, 2006 receive specialized training from NVTI. The form provided at www.dol.gov/vets contains all staffing information needed by VETS for monitoring and reporting. VETS has initiated the process of submitting this form for OMB approval to meet its statutory responsibility to monitor the mandatory NVTI training. While any format may be used to submit staffing information, States are strongly encouraged to use the form provided. States that choose not to use the form provided must provide a Staffing Directory that identifies:

- All locations where full- and half-time DVOP specialists and LVER staff are assigned as a primary duty location, to include central and sub-state offices, by office name and address;
- All staff, whether funded in whole or in part by the grant, by name, position (DVOP or LVER), and type of appointment (half-time or full-time);
- All staff funded through a Special Initiative or by grant funding to provide functional oversight, regional coordination or other supervisory/managerial responsibilities by name, title, and location;
- Dates of appointment to current position (DVOP or LVER);
- All vacancies and all positions filled by non-veterans for more than six months.

D. Assurance/Certifications Signature Page (required only if the agency administering the grant has changed) – The Signature Page attached to the Assurances and Certifications for Non-Construction Programs provided at www.dol.gov/vets should be completed, signed, and submitted with the modification request when there has been a change in the **agency** administering the grant since the most current SF 424 was approved for this grant. The Signature Page indicates that the new or renamed agency will comply with the Assurances and Certifications required for grantees that enter into an agreement with the USDOL. When submitted, the Signature Page must be signed by an authorized signatory as described for the Transmittal Memorandum and SF 424. **NOTE:** This Signature Page is not a delegation of signature authority nor is it required when there is change in designated signature authority(s).

E. TAP Employment Workshop Forecast (required only if requesting funding for State staff to facilitate TAP Employment Workshops) – This form provided at www.dol.gov/vets should be completed in accordance with instructions provided with the form.

IX. Budget Appropriations and Resource Allocations: Annual funding will be based upon the amount appropriated by Congress or as specified in a Continuing Resolution. As per the special provisions of the grant agreement, States are limited in spending to the amounts appearing on the most recently issued Notice of Obligation Authority (NOA) issued by their Regional Administrator for Veterans’ Employment and Training (RAVET). If an appropriation bill is not signed prior to October 1st of the fiscal year, States may not be advised of their actual funding amounts until sometime after the new fiscal year begins. If this is the case, States will be authorized to draw down a portion of their FY funds through an NOA. In the case of a continuing resolution that goes beyond a fiscal quarter, quarterly funding allocations will be issued to regions based upon a percentage of the anticipated award to each State for the entire fiscal year.

X. Actions Required:

A. States will provide the FY 2009 Annual Funding Modification Request to their respective DVET in both hard copy and electronic copy in accordance with due dates provided in the chart below:

Action Item	FY 2009 Due Date
First draft of annual funding request to DVET for review	June 13, 2008
DVET feedback provided to State	June 20, 2008
Final annual funding request to DVET	July 11, 2008
DVET submits final request and review checklist to RAVET	July 18, 2008
RAVET submits final requests and complete review checklists to the Jobs for Veterans National Lead Center	August 1, 2008

B. DVETs are available to provide technical assistance to State agencies as needed, particularly when determining optimal use of DVOP and LVER staff resources, and/or when the need arises to modify a State's approved Veterans' Services Plan.

XI. Inquiries: Questions should be referred to the appropriate DVET.

XII. Expiration Date: This directive expires on December 31, 2009.

XIII. Attachment: Anticipated FY 2009 Funding Allocations Targets

Jobs for Veterans State Grant Funding Estimates for FY 2009
These funding levels should be used for GENERAL PLANNING PURPOSES only

States	PRELIMINARY Estimate of Funding	1% Performance Incentive Award	PRELIMINARY Estimate of Funding If State Chooses NOT to Issue Incentive Awards
	(Does Not Include TAP Funding Amount)	(Included in Preliminary Funding Amount)	
CONNECTICUT	\$ 1,764,000	\$ 17,640	\$ 1,747,000
MAINE	\$ 866,000	\$ 8,660	\$ 858,000
MASSACHUSETTS	\$ 2,978,000	\$ 29,780	\$ 2,949,000
NEW HAMPSHIRE	\$ 750,000	\$ 7,500	\$ 743,000
NEW JERSEY	\$ 3,658,000	\$ 36,580	\$ 3,622,000
NEW YORK	\$ 8,078,000	\$ 80,780	\$ 7,998,000
PUERTO RICO	\$ 438,000	\$ 4,380	\$ 434,000
RHODE ISLAND	\$ 573,000	\$ 5,730	\$ 568,000
VERMONT	\$ 500,000	\$ 5,000	\$ 495,000
VIRGIN ISLANDS	\$ 58,000	\$ 580	\$ 58,000
TOTAL Boston Region	\$ 19,663,000	\$ 196,630	\$ 19,472,000
DELAWARE	\$ 500,000	\$ 5,000	\$ 495,000
DISTRICT OF COLUMBIA	\$ 500,000	\$ 5,000	\$ 495,000
MARYLAND	\$ 2,956,000	\$ 29,560	\$ 2,927,000
PENNSYLVANIA	\$ 6,507,000	\$ 65,070	\$ 6,442,000
VIRGINIA	\$ 4,192,000	\$ 41,920	\$ 4,151,000
WEST VIRGINIA	\$ 921,000	\$ 9,210	\$ 912,000
TOTAL Philadelphia Region	\$ 15,576,000	\$ 155,760	\$ 15,422,000
ALABAMA	\$ 2,187,000	\$ 21,870	\$ 2,166,000
FLORIDA	\$ 8,825,000	\$ 88,250	\$ 8,737,000
GEORGIA	\$ 5,347,000	\$ 53,470	\$ 5,294,000
KENTUCKY	\$ 2,349,000	\$ 23,490	\$ 2,326,000
MISSISSIPPI	\$ 1,768,000	\$ 17,680	\$ 1,751,000
NORTH CAROLINA	\$ 4,724,000	\$ 47,240	\$ 4,677,000
SOUTH CAROLINA	\$ 2,727,000	\$ 27,270	\$ 2,700,000
TENNESSEE	\$ 3,473,000	\$ 34,730	\$ 3,439,000
TOTAL Atlanta Region	\$ 31,400,000	\$ 314,000	\$ 31,090,000
ILLINOIS	\$ 6,276,000	\$ 62,760	\$ 6,214,000
INDIANA	\$ 3,380,000	\$ 33,800	\$ 3,347,000
IOWA	\$ 1,561,000	\$ 15,610	\$ 1,546,000
KANSAS	\$ 1,581,000	\$ 15,810	\$ 1,566,000
MICHIGAN	\$ 6,148,000	\$ 61,480	\$ 6,087,000
MINNESOTA	\$ 2,747,000	\$ 27,470	\$ 2,720,000
MISSOURI	\$ 3,530,000	\$ 35,300	\$ 3,495,000
NEBRASKA	\$ 957,000	\$ 9,570	\$ 948,000
OHIO	\$ 6,944,000	\$ 69,440	\$ 6,875,000
WISCONSIN	\$ 3,088,000	\$ 30,880	\$ 3,058,000
TOTAL Chicago Region	\$ 36,212,000	\$ 362,120	\$ 35,856,000
ARKANSAS	\$ 1,591,000	\$ 15,910	\$ 1,576,000
COLORADO	\$ 2,857,000	\$ 28,570	\$ 2,829,000
LOUISIANA	\$ 2,126,000	\$ 21,260	\$ 2,105,000
MONTANA	\$ 518,000	\$ 5,180	\$ 513,000
NEW MEXICO	\$ 1,047,000	\$ 10,470	\$ 1,037,000
NORTH DAKOTA	\$ 500,000	\$ 5,000	\$ 495,000
OKLAHOMA	\$ 1,910,000	\$ 19,100	\$ 1,891,000
SOUTH DAKOTA	\$ 500,000	\$ 5,000	\$ 495,000
TEXAS	\$ 11,753,000	\$ 117,530	\$ 11,636,000
UTAH	\$ 1,002,000	\$ 10,020	\$ 992,000
WYOMING	\$ 500,000	\$ 5,000	\$ 495,000
TOTAL Dallas Region	\$ 24,304,000	\$ 243,040	\$ 24,064,000
ALASKA	\$ 541,000	\$ 5,410	\$ 536,000
ARIZONA	\$ 3,042,000	\$ 30,420	\$ 3,012,000
CALIFORNIA	\$ 16,839,000	\$ 168,390	\$ 16,671,000
HAWAII	\$ 572,000	\$ 5,720	\$ 567,000
IDAHO	\$ 679,000	\$ 6,790	\$ 673,000
NEVADA	\$ 1,305,000	\$ 13,050	\$ 1,292,000
OREGON	\$ 2,242,000	\$ 22,420	\$ 2,220,000
WASHINGTON	\$ 3,996,000	\$ 39,960	\$ 3,957,000
TOTAL San Francisco Region	\$ 29,216,000	\$ 292,160	\$ 28,928,000
National Total	\$ 156,371,000		