


Employment and Training Administration Advisory System U.S. Department of Labor Washington, D.C. 20210	CLASSIFICATION ONE-STOP/LMI
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	DATE January 31, 2005

TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 1-04, CHANGE 1

TO: ALL STATE WORKFORCE AGENCIES
 ALL STATE WORKFORCE LIAISONS

FROM: EMILY STOVER DeROCCO
 Assistant Secretary 

SUBJECT: Clarification of Planning Guidance and Application Instructions for Program Year (PY) 2004 Workforce Information Core Products and Services: Workforce Information Formula Allocations to States

1. **Purpose.** To clarify guidance for the development and management of the PY 2004 Workforce Information Core Products and Services Grant Plan.
2. **References.** Wagner-Peyser Act, Sections 7(a)(3)(D), 7(d) and 15; Sections 111(d)(8) and 309 of the Workforce Investment Act (WIA); Section IV(C)(3) of the WIA/Wagner-Peyser Planning Guidance (64 Federal Register 9401 (February 25, 1999)); 29 CFR Parts 93, 96, 97 and 98; 20 CFR Section 661.205(h); OMB Circular A-87; and Training and Employment Guidance Letter (TEGL) 1-04.
3. **OMB Approval.** In conformance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), OMB has reviewed and approved an emergency clearance request from ETA for this Information Collection Request (OMB Control Number 1205-0417). This approval expires February 28, 2005. Under 5 CFR 1320.5(b), an Agency cannot conduct, sponsor, or require a response to a collection of information unless the collection displays a valid OMB Control Number.
4. **Background.** States have voiced questions and comments concerning requirements in TEGL 1-04. Specifically, the questions and comments have addressed: 1) the feasibility of the plan submission date; 2) the state funding allocations sub-allocated to address specific grant deliverables; and 3) the meaning of "leveraging" in the PY 2004 planning guidance.

RESCISSIONS None	EXPIRATION DATE Continuing
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5. **Plan Submission Dates.** TEGL 1-04 requires submission of grant plans to the appropriate Regional Administrator 45 days from the issuance date of the guidance (July 2, 2004). States commented that 45 days is an insufficient amount of time to develop plans and consult with SWIBs. ETA concurred and changed the submittal date to September 30, 2004. A request for a submission date later than September 30, 2004, may be approved by a Regional Administrator based on his/her discretion. However, no additional funding has been issued until a state plan is approved.

6. **State Allocations.** PY 2004 state allocations were published in total for each state and sub-allocated to address specific deliverables: one for deliverables (1) and (2), which are expected to be standard and comparable across states (the ALMIS Database and Industry and Occupational Projections), and the second for deliverables (3) through (6), which allow states the flexibility to address the relative investment priority and form and content of the deliverables. Some states have asked how the sub-allocations were derived and whether the sub-allocations are set as guides or required levels and whether the sub-allocations must be tracked separately.

The sub-allocations were derived by computing the average state investment per past program year deliverables for all states. State costs per deliverable in PY 2004 will vary, depending on states' needs, as they have in the past. Therefore, the sub-allocations are guidelines, not requirements. There will be only one state plan and grant for all deliverables, and ETA will not track the sub-allocations by separate accounting codes.

7. **Leveraging.** The planning guidance permits and encourages, but does not require, states to leverage grant funding resources where it would be advantageous to do so. Several examples of leveraging resources are: obtaining matching funds from other organizations for a common grant activity; incorporating other organizations' labor market or economic information to enhance grant information products or services; or the competitive procurement of a product or service of the same or higher quality and at less cost than if performed by the grantee agency.

8. **Action Required.** State Workforce Agency Administrators are requested to immediately transmit this Change 1 to TEGL 1-04 to the appropriate State Workforce Agency office and to the State Workforce Investment Board.

9. **Inquiries.** Questions on Change 1 should be directed to the appropriate ETA regional office.