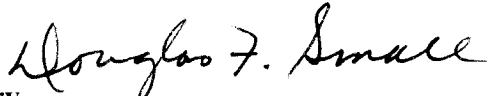


EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U. S. Department of Labor Washington, D.C. 20210	CLASSIFICATION UI
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ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER 23-09

TO: STATE WORKFORCE AGENCIES

FROM: DOUGLAS F. SMALL 
 Deputy Assistant Secretary

SUBJECT: Fiscal Year (FY) 2009 Unemployment Insurance (UI)
 Reemployment and Eligibility Assessment (REA) Grants

- 1. Purpose.** To invite the submission of proposals from State Workforce Agencies (SWAs) to implement or expand UI REA initiatives; to provide guidelines for developing the proposals; and to provide criteria governing the use of these funds.
- 2. References.** Regional Office issuances regarding the REAs for FY 2005 and FY 2006; Unemployment Insurance Program Letter (UIPL) No. 30-06, Fiscal Year (FY) 2007 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants; UIPL No. 25-07, Fiscal Year (FY) 2008 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants; *Federal Register Notice* - Volume 70, Number 163, dated August 24, 2005; ET Handbook No. 401; ET Handbook No. 402; Training and Employment Guidance Letter (TEGL) No. 14-08 Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009; ETA Occasional Paper No. 2004-01 Internet Initial Claims Evaluation - Section V, Reemployment Assistance and Continuing Eligibility; ETA Occasional Paper No. 2002-09 Evaluation of the Significant Improvement Demonstration Grants for the Provision of Reemployment Services for UI Claimants; and ETA Occasional Paper No. 2000-01 Unemployment Insurance in the One-Stop Delivery System.
- 3. Background.** The reemployment of UI claimants and the reduction of erroneous payments are high priorities for the UI program. The Department is promoting better integration of UI claims and reemployment services through the REA grants. A number of studies have found that attention to UI beneficiaries' efforts to find new jobs and attention to their reemployment service needs result in shorter claim durations and fewer erroneous payments. The REA initiative was implemented to provide resources to states to focus such attention on UI beneficiaries. A total of 18 states are operating REA initiatives during FY 2009.

RESCISSIONS None	EXPIRATION DATE April 20, 2010
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4. **FY 2009 Funding.** A total of \$50 million is available in FY 2009 for REAs and similar activities. This significant increase in funding availability gives states with current REA initiatives the opportunity to apply for funds to expand those initiatives to additional areas within the state and to provide assessments to a larger number of beneficiaries. In addition, states that are interested in implementing new REA initiatives have the opportunity to apply for funding.

It is critical that REA initiatives, both continuing and newly implemented, are an integral part of their respective states' strategies for Reemployment Services (RES) grants provided by the Recovery Act. RES funds available under the Recovery Act may be used to upgrade information technology and improve linkage, communication, and data transfer between UI, Wagner-Peyser, and One-Stop Career Center information systems (See TEG-14-08). These funds, in combination with REA funds, offer states a unique opportunity to build the data and communication linkages needed to better target services, eliminate redundant data collection, and improve management information.

Participating states were provided funds at the FY 2008 funding level under the 2009 continuing resolution. These states may now submit proposals to provide REAs to a larger number of beneficiaries. If appropriate, states may provide notification that a lower amount of funding is needed in FY 2009 than was provided in FY 2008. This will not adversely impact future requests. To submit a request for additional funding, states with existing REA initiatives should update their 2008 proposals with the appropriate workload counts and the related costs. States that are not currently participating may submit proposals to implement the REA initiative.

Additional funds for states with an existing REA initiative are to be obligated by March 31, 2010. Funds for states wishing to implement a new REA initiative are to be obligated within one year of the projected date of implementation. The date of implementation is the date that the first REA participant is scheduled to report to a One-Stop Career Center.

5. **Guidelines.** Funds must be used to assess the continued eligibility and reemployment needs of UI beneficiaries and are not intended to supplant UI grant funds devoted to eligibility reviews. States do not have to implement the REA initiative statewide. Assessments are to be conducted only for UI beneficiaries who do not have a definite return-to-work date.

Providing general information about the labor market, developing a work search plan, assessing an individual's need for reemployment services, and making referrals to reemployment services are all an integral part of the REA effort. They are part of ensuring that claimants are doing what a reasonable person in his or her circumstances should do to find suitable work. However, providing reemployment services such as resume writing or interviewing workshops and job placement activities are not permissible uses of UI grant funds, and these costs should not be included in the state's proposal.

The Department is actively fostering the provision of services to UI claimants through funds for reemployment services available under the American Recovery and Reinvestment Act of 2009. These Reemployment Services (RES) funds provide a unique opportunity to

strengthen partnerships between the One-Stop Career Center and UI claimants which can continue after these funds end. States applying for a new or continuing REA grant should consider how they can integrate REA activities with the RES initiative in their state.

The following guidelines also apply:

- a. UI beneficiaries must be required to report in person to the One-Stop Career Center for staff-assisted services as a part of the REA.
- b. Assessments must include:
 1. A review of continued eligibility and referral to adjudication, as appropriate, when a potential issue is identified.
 2. The provision of labor market information.
 3. Development or review of a work search plan.
 4. A referral to employment services (e.g. job search assistance workshops or job placement services) or to occupational or skills training, when appropriate.
- c. A measure of program effectiveness will be derived by comparing outcomes of REA program participants with outcomes from a similar group of claimants who did not participate in the REA program. Therefore, states receiving REA grant funds must agree to develop a methodology for identifying a comparison group. However, the specific methodology to be utilized is not required to be included in the state's REA proposal. If needed, the Department will provide states with technical assistance in developing an appropriate comparison group methodology, to ensure that the comparison group will provide an accurate population for assessing the results of the state's REA initiative.
- d. The state must submit required REA reports. These reports are the ETA 9128 - Reemployment and Eligibility Assessments Activities report and the ETA 9129 - Reemployment and Eligibility Assessments Outcomes report (OMB Approval No. 1205-0456). These reports capture specific data about the REA program participants and the comparison group. States submitting REA proposals for the first time may request funds to develop these required reports. States that currently operate a REA initiative received the funds for the development of these reports.
- e. The state must agree to participate in any U.S. Department of Labor (DOL) funded studies of the effectiveness of this UI REA initiative. Results may be used to prepare a report to Congress.

6. **Proposal Format and Instructions.** The format and instructions for preparing the UI REA grant proposals are provided in the following attachments. Attachment A provides the guidance for states that have not received a REA grant. Attachment B is the Cover Sheet and is required for all proposals. All pages in the state's proposal should be numbered.

Each proposal should contain the name and telephone number of the person who is to be notified of approval of the grant. In most instances, this individual will be the state

administrator. Proposals should also include the name, telephone number and e-mail address of the individual who can respond to questions about the proposal.

Completed Standard Form (SF) 424 (Revised 10-2005), and SF 424A must be submitted for all REA grants within 10 days of the notification of the grant award. The SF 424A requires a breakout of object class categories in item 6 of Section B - Budget Categories. The breakouts must match the proposed expenditures.

7. **UI REA Grant Scoring Criteria.** The REA scoring criteria are explained in Attachment A and apply to states that have not previously participated in the REA initiative. The highest scoring proposal will be funded first followed in sequence by those with lower scores until all available funds are exhausted. States must follow the proposal outline. Each element of the proposal is important and should be addressed completely. Proposals should explain how the proposed program will work and include complete names and titles rather than acronyms and form numbers. Proposals scoring fewer than 80 points will not be funded.
8. **Supplemental Budget Request (SBR) Procedures.** States are encouraged to work with Regional Office staff while they are developing their proposals. States should ensure that:
 - a. The UI REA project design meets the needs of UI beneficiaries;
 - b. UI and One-Stop Career Center staff work cooperatively in planning, developing, testing, and implementing this project;
 - c. The proposed expenditures are appropriate; and
 - d. The state can provide data for the required reports.
9. **Timelines.**
 - a. States must submit proposals to the National Office by May 8, 2009.
 - b. Award notifications will be issued by May 29, 2009.
 - c. States must submit an SF 424 and an SF 424A within 10 days of the award notification.
10. **Action Requested.** State Administrators are requested to:
 - a. Provide information contained in this UIPL to appropriate staff.
 - b. Send, via e-mail, an electronic copy of the proposal and the UI REA Cover Sheet to ows.sbr@dol.gov no later than May 8, 2009.
 - c. Upon notification of the grant award, states must submit an SF 424, and SF 424A at the appropriate level of funding signed by the state administrator.
11. **Inquiries.** Direct questions to Diane Wood at 202-693-3212, or to wood.diane@dol.gov.
12. **Attachments.**
 - A. UI REA Proposal Outline for First Year REA Grants
 - B. Unemployment Insurance Reemployment and Eligibility Assessment Cover Sheet

Attachment A

UNEMPLOYMENT INSURANCE (UI) REEMPLOYMENT AND ELIGIBILITY ASSESSMENT (REA) PROPOSAL OUTLINE FOR FIRST YEAR REA GRANTS

1. **UI REA Grant Project Summary.** States should use this outline to develop proposals to implement the UI REA initiative. All proposals must include the Cover Sheet found in Attachment B.
2. **Project Costs.** Proposals must include a description of proposed expenditures and a projected schedule for significant project activities. The costs should be identified separately as start-up costs and the projected costs for one year of operation. Start up costs would include the costs of staff training, program implementation, automation costs related to the delivery and records keeping necessary for the REA initiative and the costs of developing the ETA 9128 and the ETA 9129. Any proposed expenditures that do not include all of the required information will not be funded.

Fixed Minimum Costs: The proposal should include fixed minimum costs. As a part of the fixed minimum costs, the proposal should describe the costs to implement the UI REA program and conduct the first 10,000 assessments. Fixed costs should also include the projected costs for programming the ETA 9128 and ETA 9129 reports as a one-time cost. Reporting instructions can be found in ET Handbook No. 401 and edits for these two reports can be found in ET Handbook No. 402. These instructions should assist in determining the approximate programming time needed to develop these required reports. The costs for programming these reports should be clearly identified in the project costs.

Incremental Costs: If the state proposes to conduct more than 10,000 REAs the proposal should also include incremental costs. These costs should be expressed as costs per 10,000 assessments. States that do not wish to perform more than 10,000 assessments do not need to submit this information. Incremental costs consist primarily of costs related to service delivery (i.e., conducting the REA) rather than costs such as development of management information systems. Regardless of the total number of proposed REAs, states should ensure that costs are provided on a sliding scale at 10,000 increments as it may be possible to increase partially, but not possible to fund very large numbers of REAs.

3. **Scoring Elements.** The following elements are used to score the proposal. Proposals must have a score of 80 points or more to be recommended for funding. Therefore, each element is important and should be addressed fully in the proposal. Proposals should use the following format.

a. Project Costs (15 percent of total score):

- i. **Staff Costs.** The proposal should identify both state staffing needs (in excess of base staff) and any contract staff needs. Staff needs should include the type of position, the expected number of staff hours, and the projected hourly cost. States should identify separately all staff costs for developing REA reports and programming requirements separate from the costs for providing REAs to claimants. States should include information in the following format for all staff requests.

Position Title	# Hours	Cost Per Hour	Total Cost
Claims Examiner	120	\$50	\$6,000

States should charge all staff time utilized for the REA initiative to an REA project code.

If contract staff is requested, documentation should include the type of position, estimated contract staff hours, anticipated costs per hour, and total cost.

- ii. **Other.** The proposal should include costs for other activities and/or equipment, not identified above. Each cost should be broken down to the specific cost item with a description of each cost and the associated costs for each item requested. All costs must be related to providing REAs to claimants.

b. Project Design (45 percent of total score):

A description of the UI REA initiative should address all key aspects of the design. States should explain what will occur when the claimant reports to the One-Stop Career Center for an REA. The description should include the elements below.

- How beneficiaries will be selected for the assessments. The proposal should identify the target group for their REA initiative. For example, states have tried varied methods including focusing on those claimants most likely to exhaust their benefits, focusing on claimants with a lower profiling score who might be likely to return to work more quickly, and focusing on claimants who have job skills that are in high demand.
- The proposed staffing arrangements for conducting assessments at the One-Stop Career Center facility. States should ensure that proposed staffing arrangements have been agreed upon by all parties prior to submitting the REA proposal.
- How beneficiaries will be referred to reemployment services.
- How staff training will be conducted.
- How eligibility issues will be referred to UI adjudication staff.
- How assessments will be structured.
- How information will be shared among UI staff and other staff and how the work search plan and related activities will be documented.

- Identify the feedback loop that will provide information to the UI program staff about the results of referrals to reemployment services.
- Describe any additional factors not covered in this list that will be a part of the project.
- Explain how REA services will be integrated with RES funds or other available funding for reemployment services.

c. Projected Performance Improvements (15 percent of total score):

The proposal must identify areas in which UI program performance is expected to improve as a result of the REA initiative. It should explain the proportion of claimants to be served in terms of the total UI beneficiary population. The proposal should describe which services are currently provided to the selected beneficiary population. If the state has conducted a study of unmet service needs of this population, the study's findings should be included. If the state can show that the projected assessments should lead to a reduction in UI overpayments, a reduction in the average benefit duration, or faster reemployment, such information should be included in the proposal's narrative. The proposal should also explain how expected performance improvements will be measured.

d. Estimated Time and Cost for Each Assessment (15 percent of total score):

The proposal must include an estimate of the time and the cost requirements for each REA. If appropriate, varying levels of service may be specified in conjunction with varying costs, e.g., beneficiaries who are determined to be "job ready" may cost less to serve. Sufficient information should be provided to illustrate how the state determined the projected staff costs and projected staff time for the various components of the assessment that were used to determine the maximum number of REAs that could be accomplished based upon the grant amount requested.

e. Project Timeline (10 percent of total score):

A timeline of the project must be included that identifies significant milestones in implementing the initiative, including project design, and any staff training. Programming requirements that may be necessary to select and track participating beneficiaries or to measure outcomes related to program improvements should be included in the timeline, completion of the ETA 9128 and the ETA 9129, and the date that the first REAs will be offered. Funding will be based upon the timeline provided by the state.

f. Supporting Materials:

States may attach additional materials that will support the proposal.

Attachment B

**UNEMPLOYMENT INSURANCE
REEMPLOYMENT and ELIGIBILITY ASSESSMENTS
COVER SHEET**

State Name:	
Name and Title of Grant Notification Contact (<i>Usually the State Agency Administrator</i>): Name: _____ Title: _____	
REA Project Contact <i>The person who can answer questions about the REA proposal.</i>	Name:
	Telephone:
	E-mail:
Total REA Project Cost <i>The total amount of funds requested</i>	\$ _____
Total Service Delivery Staff Cost <i>The total amount of funds requested for staff to conduct the REAs excluding management costs</i>	\$ _____
Total Management Costs <i>The total amount of funds requested for administrative/management costs excluding cost of staff who will conduct the REAs</i>	\$ _____
Staff and Management Costs per REA <i>The sum of service delivery staff costs and management costs divided by the number of planned REAs</i>	\$ _____
Staff Training Costs <i>The total amount of funds requested for staff training to conduct REAs</i>	\$ _____
Projected Time for REA, including Paperwork <i>The total time spent preparing for and conducting the REA, recording results and other documentation</i>	
Total Number of REAs <i>The total number of REAs the state will schedule</i>	
Total Number of REA Sites <i>The total number of sites where REAs will be conducted. For levels in excess of 10,000 provide the number of sites at each level</i>	
Type of Staff Conducting REAs <i>Description of the staff that will conduct the REAs (e.g., UI, One-Stop, Contract, or a combination)</i>	