

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Unemployment Insurance
	CORRESPONDENCE SYMBOL OUI/CRD
	DATE May 19, 2023

**ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 02-22,
Change 3**

TO: STATE WORKFORCE AGENCIES

FROM: BRENT PARTON /s/
Acting Assistant Secretary

SUBJECT: Modifications to the Grant Opportunity Announced in Unemployment Insurance Program Letter (UIPL) No. 02-22, to Support States Following the Tiger Teams Consultative Assessment

1. **Purpose.** To notify states that participated in the Tiger Team consultative assessment under UIPL No. 02-22 or that expressed interest to participate in the Tiger Teams consultative assessment by the required March 31, 2023, deadline, of the availability of additional grant funds to further support implementation of negotiated recommendations and to announce a modification to the grant application and award process in an effort to streamline the states' receipt of the funds.
2. **Action Requested.** The U.S. Department of Labor's (Department) Employment and Training Administration (ETA) requests that State Workforce Agency Administrators provide information contained in this UIPL to appropriate staff and take the necessary steps in either Section 4.b., Section 4.c., or Section 4.d. of this UIPL by July 21, 2023.
3. **Summary and Background.**
 - a. Summary – This UIPL announces additional funding for states that have participated in the Tiger Team consultative assessment, as well as for states that expressed interest to participate by the required deadline or are in the process of undergoing the assessment (*i.e.*, participating states). This UIPL also announces modifications to the grant application and award process in an effort to streamline the states' receipt of the funds.
 - b. Background – On March 11, 2021, the President signed the American Rescue Plan Act of 2021 (ARPA) into law (Public Law (Pub. L.) 117-2). Section 9032, ARPA, creates a new Section 2118 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub. L. 116-136) and provides a \$2,000,000,000 appropriation to the Secretary of Labor to detect and prevent fraud, to promote equitable access, and to ensure timely payment of benefits to eligible workers with respect to UC programs.

RESCISSIONS None	EXPIRATION DATE Continuing
----------------------------	--------------------------------------

On November 2, 2021, the Department issued UIPL No. 02-22, announcing the availability of up to \$200 million to be awarded to states that engage in a consultative assessment with the Department’s Tiger Teams and agreed to implement recommendations to enhance their UC systems and business processes to: 1) prevent and detect fraudulent activity, and to recover funds from fraud; 2) promote equitable access; and 3) ensure timely payment of benefits and reduce backlogs across all UC programs. To be eligible for the grant funding opportunity, states interested in participating in a Tiger Team consultative process were required to express interest by March 31, 2022. On February 16, 2022, the Department issued UIPL No. 02-22, Change 1, extending the deadline for states to express interest in the Tiger Team consultative process to September 30, 2022. On September 19, 2022, the Department issued UIPL No. 02-22, Change 2, extending the deadline for states to express interest in the Tiger Team consultative process to March 31, 2023, as well to provide updated grant application instructions. As of April 1, 2023, 45 states have begun or completed a Tiger Team consultative assessment or expressed interest by the required deadline, representing 85 percent of all states.

On March 6, 2023, the Department issued UIPL No. 03-23, which made available to state ARPA grantees Department-funded operational and technical resources and services to support expedited execution of their ARPA-formula funded grant projects and to increase the scope or impact of grant projects.

- 4. Guidance.** This UIPL explains the additional funding amounts available for states to support implementation of negotiated recommendations from the Tiger Team consultative assessment described in UIPL No. 02-22.

In an effort to make these additional funds available to states as expeditiously as possible, the grant application and award process will be completed in two stages: an Initial Application/New Grant Application to request additional funds followed by a Full Project Amendment. The following table summarizes the deadline for each group of states and more detail is found in the sections below.

Group	Deadline for New Grant Application/Initial Application	Deadline for Full Project Amendment
States that Have Completed their Tiger Team Consultative Assessment and Have Received Some or All Funding Available under UIPL No. 02-22 (Section 4.b. of this UIPL)	New Grant Application to request any additional funds due by the close of business on July 21, 2023	Due within 60 calendar days of Grant Application Notice of Award (NOA)
States that Have Completed their Tiger Team Consultative Assessment and Have Not Yet Received Funding under UIPL No. 02-22 (Section 4.c. of this UIPL)	Initial Application due by the close of business on July 21, 2023	Due within 60 calendar days of Initial Application NOA
Participating States ¹ that Have Not Yet Received Funding under UIPL No. 02-22 (Section 4.d. of this UIPL)	Initial Application due by the close of business on July 21, 2023	Due within 60 calendar days of the state receiving Negotiated Recommendations

¹ Participating states within this context include: (1) states that are in process of completing their Tiger Team consultative assessment; and (2) states that expressed interest before the required deadline but not yet started their Tiger Team consultative assessment.

- a. **Additional Grant Funds to Support Implementation of Negotiated Recommendations**
ETA is making additional funding available for states using the amounts from the \$200 million allocation under UIPL No. 02-22 originally designated for states that have chosen not to participate in the Tiger Team consultative assessment. Each state that has participated in the Tiger Team consultative assessment, as well as each state that has expressed interest to participate by the required deadline or is in the process of undergoing the assessment, may request up to \$740,700 in addition to the amount that was originally allocated for their respective state in Attachment I to UIPL No. 02-22. Attachment I to this UIPL provides the updated allocation amount by state. These additional funds will further support implementation of the negotiated recommendations resulting from the Tiger Team engagement.

States are encouraged to leverage the opportunity for Department-funded operational and technical resources and services outlined in UIPL No. 03-23. In addition to increasing state capacity to complete projects, utilization of these Department-funded resources may help to support expedited execution of the negotiated recommendations and states may realize costs savings in project implementation that would further the scope or impact of these grant projects.

- b. **Instructions for States that Have Completed their Tiger Team Consultative Assessment and Have Received Some or All Funding Available under UIPL No. 02-22.**
- i. ***Condition of Receiving the Tiger Team Grant.*** By submitting a Grant Application to receive any additional funds as described in Section 4.b.ii. of this UIPL, the state agrees to submit a Full Project Amendment, as described in Section 4.b.iii. of this UIPL, within 60 calendar days of receiving the Notice of Award (NOA).

States who anticipate significant challenges with meeting the timeframe for submitting a Full Project Amendment may request an extension. ETA expects that requests for an extension will be rare, and approvals must be provided by the Grant Officer.

- ii. ***New Grant Application.*** The Grant Application to receive any additional funds must be submitted via www.grants.gov, with an electronic copy to the appropriate ETA Regional Office, as soon as possible and by no later than the close of business on July 21, 2023. The Grant Application package consists of a completed SF-424 (as described in Attachment I of UIPL No. 02-22, Change 2) to reflect any additional amount requested, up to the full amount of the new allocation (*see* Attachment I to this UIPL).

To demonstrate that the state agrees to comply with the condition described in Section 4.b.i. of this UIPL, when completing the SF-424, the state must check the “I AGREE” box under Item 21 and include the appropriate language in Item 15. States should maintain any supporting documentation that serves as evidence for meeting the required condition.

Upon receipt and processing of the SF-424, the state will receive a NOA. These grants are subject to the requirements of 2 CFR Parts 200 and 2900, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

- iii. ***Full Project Amendment.*** As noted in Section 4.b.i. of this UIPL, the Full Project Amendment must be submitted to the appropriate ETA Regional Office, as soon as possible and by no later than 60 calendar days of receiving the NOA. The Full Project Amendment package must include:

- A. A copy of the completed SF-424 from the new Grant Application;
- B. A completed SF-424A;
- C. If indirect cost is indicated on the SF-424A, then a Negotiated Indirect Cost Rate Agreement (NICRA); and
- D. A Project Synopsis for each of the negotiated recommendations (as described in Attachment III to UIPL No. 02-22).

The submission of the required documents does not constitute approval by the Department. Upon receipt of the Full Project Amendment, the Department will review and work with the state to approve the proposal. Once approved by the Grant Officer, the Full Project Amendment will be an official amendment to the initial NOA, and the condition of the award that previously restricted access to the additional funds will be resolved.

- iv. ***Possible Changes to Original Negotiated Recommendations.*** Recognizing that circumstances may have evolved since the state originally received their negotiated recommendations, the Department may consider changes to the original negotiated recommendations. The Department will consider state project ideas that revise or expand from the negotiated recommendations, address the purposes articulated in Section 9032 of ARPA and enhance the state's UC system and business processes. States that are interested in pursuing this option should contact their appropriate ETA Regional Office to discuss.

c. Instructions for States that Have Completed their Tiger Team Consultative Assessment and Have Not Yet Received Funding under UIPL No. 02-22.

- i. ***Condition of Receiving the Tiger Team Grant.*** By submitting an Initial Application as described in Section 4.c.ii. of this UIPL, the state agrees to submit a Full Project Amendment, as described in Section 4.c.iii. of this UIPL, within 60 calendar days of receiving the Notice of Award (NOA).

States who anticipate significant challenges with meeting the timeframe for submitting a Full Project Amendment may request an extension. ETA expects that requests for an extension will be rare, and approvals must be provided by the Grant Officer.

- ii. ***Initial Application.*** The Initial Application must be submitted via www.grants.gov,

with an electronic copy to the appropriate ETA Regional Office, as soon as possible and by no later than the close of business on July 21, 2023. The Initial Application package consists of a completed SF-424 (as described in Attachment I of UIPL No. 02-22, Change 2) to reflect up to the full amount of the new allocation (*see* Attachment I to this UIPL).

To demonstrate that the state agrees to comply with the condition described in Section 4.c.i. of this UIPL, when completing the SF-424, the state must check the “I AGREE” box under Item 21 and include the appropriate language in Item 15. States should maintain any supporting documentation that serves as evidence for meeting the required condition.

Upon receipt and processing of the SF-424, the state will receive a NOA. These grants are subject to the requirements of 2 CFR Parts 200 and 2900, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

iii. ***Full Project Amendment.*** As noted in Section 4.c.i. of this UIPL, the Full Project Amendment must be submitted to the appropriate ETA Regional Office, as soon as possible and by no later than 60 calendar days of receiving the NOA. The Full Project Amendment package must include:

- A. A copy of the completed SF-424 from the Initial Application;
- B. A completed SF-424A;
- C. If indirect cost is indicated on the SF-424A, then a Negotiated Indirect Cost Rate Agreement (NICRA); and
- D. A Project Synopsis for each of the negotiated recommendations (as described in Attachment III to UIPL No. 02-22).

The submission of the required documents does not constitute approval by the Department. Upon receipt of the Full Project Amendment, the Department will review and work with the state to approve the proposal. Once approved by the Grant Officer, the Full Project Amendment will be an official amendment to the initial NOA, and the condition of the award that previously restricted access to the funds will be resolved.

iv. ***Possible Changes to Original Negotiated Recommendations.*** Recognizing that circumstances may have evolved since the state originally received their negotiated recommendations, the Department may consider changes to the original negotiated recommendations. The Department will consider state project ideas that revise or expand from the negotiated recommendations, address the purposes articulated in Section 9032 of ARPA and enhance the state’s UC system and business processes. States that are interested in pursuing this option should contact their appropriate ETA Regional Office to discuss.

d. **Instructions for Participating States that Have Not Yet Received Funding under UIPL No. 02-22.**

- i. ***Conditions of Receiving the Tiger Team Grant.*** By submitting an Initial Application as described in Section 4.d.ii. of this UIPL, the state agrees to:
 - A. Complete the Tiger Team consultative assessment, including receipt of the negotiated recommendations; and
 - B. Submit a Full Project Amendment, as described in Section 4.d.iii. of this UIPL, within 60 calendar days of the state receiving the negotiated recommendations.

States who anticipate significant challenges with meeting the timeframe for submitting a Full Project Amendment may request an extension. ETA expects that requests for an extension will be rare, and approvals must be provided by the Grant Officer.

- ii. ***Initial Application.*** The Initial Application must be submitted via www.grants.gov, with an electronic copy to the appropriate ETA Regional Office, as soon as possible and by no later than the close of business on July 21, 2023. The Initial Application package consists of a completed SF-424 (as described in Attachment I of UIPL No. 02-22, Change 2) to reflect the full amount of the new allocation (*see* Attachment I to this UIPL).

To demonstrate that the state agrees to comply with the conditions described in Section 4.d.i. of this UIPL, when completing the SF-424, the state must check the “I AGREE” box under Item 21 and include the appropriate language in Item 15. States should maintain any supporting documentation that serves as evidence for meeting the required conditions.

Upon receipt and processing of the SF-424, the state will receive a NOA. These grants are subject to the requirements of 2 CFR. Parts 200 and 2900, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

- iii. ***Full Project Amendment.*** As noted in Section 4.d.i. of this UIPL, the Full Project Amendment must be submitted to the appropriate ETA Regional Office, as soon as possible and by no later than 60 calendar days of the state receiving the negotiated recommendations. The Full Project Amendment package must include:
 - A. A copy of the completed SF-424 from the Initial Application;
 - B. A completed SF-424A;
 - C. If indirect cost is indicated on the SF-424A, then a Negotiated Indirect Cost Rate Agreement (NICRA); and
 - D. A Project Synopsis for each of the negotiated recommendations (as described in Attachment III to UIPL No. 02-22).

The submission of the required documents does not constitute approval by the Department. Upon receipt of the Full Project Amendment, the Department will review and work with the state to approve the proposal. Once approved by the Grant

Officer, the Full Project Amendment will be an official amendment to the initial NOA, and the conditions of the award that previously restricted access to the funds will be resolved.

- e. **Period of Performance.** As noted in Section 4.a. of UIPL No. 02-22, Change 2, the period of performance of grants awarded for implementing the negotiated recommendations is two years from the start date of the award (*i.e.*, the date of the NOA). At the time of preparing a Full Project Amendment, the state will have the opportunity to propose an amended period of performance to account for the time needed to appropriately execute the full scope of these grant projects.
- f. **All other terms and conditions remain in place.** Except as explicitly noted in this UIPL, all other guidance from UIPL Nos. 02-22 and 02-22, Change 2, remain the same.

5. **Inquiries.** Please direct inquiries to the appropriate ETA Regional Office.

6. **References.**

- American Rescue Plan Act, Pub L. 117-2, enacted March 11, 2021;
- Coronavirus Aid, Relief, and Economic Security (CARES) Act, Pub. L. 116-136, enacted March 23, 2020;
- UIPL No. 02-22, *Grant Opportunity to Support States Following a Consultative Assessment for Fraud Detection and Prevention, Promoting Equitable Access, and Ensuring the Timely Payment of Benefits, including Backlog Reduction, for all Unemployment Compensation (UC) Programs*, issued November 2, 2021, <https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-02-22>;
- UIPL No. 02-22, Change 1, *Extension of Time for States to Express Interest in the Grant Opportunity Announced in Unemployment Insurance Program Letter (UIPL) No. 02-22 to Support States Following a Consultative Assessment for Fraud Detection and Prevention, Promoting Equitable Access, and Ensuring the Timely Payment of Benefits, including Backlog Reduction, for all Unemployment Compensation (UC) Programs*, issued February 16, 2022, <https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-02-22-change-1>;
- UIPL No. 02-22, Change 2, *Extension of Time for States to Express Interest in the Grant Opportunity Announced in Unemployment Insurance Program Letter (UIPL) No. 02-22, to Support States Following a Consultative Assessment for Fraud Detection and Prevention, Promoting Equitable Access, and Ensuring the Timely Payment of Benefits, including Backlog Reduction, for all Unemployment Compensation (UC) Programs*, issued September 19, 2022, <https://www.dol.gov/agencies/eta/advisories/uipl-02-22-change-2>; and
- UIPL No. 03-23, *Availability of U.S. Department of Labor (Department) Funded Resources and Services to State American Rescue Plan Act (ARPA) Grantees*, issued March 6, 2023, <https://www.dol.gov/agencies/eta/advisories/uipl-03-23>.

7. **Attachment(s).**

- Attachment I: Updated Funding Allocation for UI Tiger Team Grants