



VETERANS' PROGRAM LETTER NO. 07-19

MEMORANDUM TO: ALL VETERANS' EMPLOYMENT AND TRAINING SERVICE  
STAFF  
ALL STATE WORKFORCE AGENCY ADMINISTRATORS

FROM: J.S. SHELLENBERGER  
Acting Assistant Secretary

SUBJECT: Jobs for Veterans State Grant Recurring Report Requirements

**I. Purpose**

To provide guidance to grantees on recurring report requirements for the Jobs for Veterans State Grants (JVSG) program. There are changes to the Technical Performance Narrative report to include Local Veterans' Employment Representative (LVER) HIRE Vets Medallion Program reporting.

**II. References**

- (a) Title 38, United States Code (38 U.S.C.), Chapters 41 and 42; 2 Code of Federal Regulations (CFR) Part 200, et al: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- (b) 29 CFR Part 97, Uniform Administrative Requirements for Grant and Cooperative Agreements to State and Local Governments;
- (c) 20 CFR Part 1010, Application of Priority of Service for Covered Persons;
- (d) Jobs for Veterans' State Grants (JVSG) Terms and Conditions dated October 1, 2019;
- (e) VPL 07-09 Implementing Priority of Service for Veterans and Eligible Spouses in all Qualified Job Training Programs funded in Whole or in Part by the U.S. Department of Labor (DOL), dated November 10, 2009;
- (f) VPL 04-19, Guidance for Jobs for Veterans State Grant Annual Performance Incentive Awards for State Employees and Employment Service Offices, dated March 20, 2019;
- (g) VPL 02-19, HIRE Vets Medallion Program, dated January 23, 2019;
- (h) VPL 03-19, Designation of Additional Populations Eligible for Services from Disabled Veterans' Outreach Program Specialist, dated February 7, 2019;
- (i) VPL 03-14, Jobs for Veterans State Grants (JVSG) Program Reforms and Roles Responsibilities of American Job (AJC) Staff Serving Veterans, dated April 10,

- 2014;
- (j) VPL 06-15 Corrected Copy, Jobs for Veterans State Grant Annual Funding Modification Requests, dated June 8, 2015;
  - (k) GO Memo 04-17, JVSG Annual Funding Allocation, dated June 28, 2017;
  - (l) GO Memo 01-19, Jobs for Veterans State Grant Changes to VA/DOL Memorandum of Agreement, dated February 27, 2015, dated February 13, 2019.

### III. **Rescission**

This Veterans' Program Letter (VPL) supersedes VPL 01-15, Jobs for Veterans State Grant Reporting, dated on January 12, 2015.

### IV. **Background**

VETS provides JVSG funding to grantees and to three support staff positions: the Disabled Veterans' Outreach Program (DVOP) specialist, Local Veterans' Employment Representative (LVER) staff, and the Consolidated DVOP/LVER position. JVSG staff perform duties as defined in 38 U.S.C. §4103A, §4104 and the current JVSG Roles and Responsibilities VPL.

- (a) State Agencies are required to follow the legislatively mandated oversight requirements by submitting quarterly fiscal performance reports and Fiscal Year (FY) programmatic activity reports.
- (b) VETS monitors expenditures reported by grantees to ensure funds are spent in accordance with the cost principles established for federal awards to state government agencies and approved State Plans.

### V. **Quarterly Federal Fiscal Reports**

The grantees are required to submit quarterly, the SF-425 Federal Financial Report (FFR) and the VETS-402 JVSG Expenditure Detail Report (EDR), no later than (NLT) 30 days after the end of each FY quarter. Reports are submitted, starting with the 1<sup>st</sup> quarter of each FY, regardless of whether grant funds are obligated or liquidated in the 1<sup>st</sup> quarter.

- (a) FFR: The quarterly financial report is submitted by the grantee through the Grantee Reporting System (GRS) and reviewed and accepted by the Grant Officer's Technical Representatives (GOTR) in E-Grants. The FFR is due NLT 30 days after the end of the reporting quarter. The FFR due dates are:
  - i. 1<sup>st</sup> Quarter - January 30 of the following calendar year;
  - ii. 2<sup>nd</sup> Quarter - April 30;
  - iii. 3<sup>rd</sup> Quarter - July 30;
  - iv. 4<sup>th</sup> Quarter - October 30;
  - v. Final Federal Financial Report - NLT January 30 of the following calendar year (the 4<sup>th</sup> Quarter report must be marked final FFR);
  - vi. 5<sup>th</sup> Quarter (if applicable) - January 30 of the following calendar year; and
  - vii. Closeout Federal Financial Report - **NLT March 30** of the following calendar year.

- (b) EDR: The quarterly reports provide the grant funds' expense details and the obligations' information to verify that the grant funds were spent, in accordance with the approved submitted State Plan budget. EDRs also provide data on the number of staff Base Position Paid (BPP) for DVOP, LVER, and Consolidated Positions.
  - i. The EDRs provide a comparison of the expenditures and obligations against the cumulative funds allocated through the close of the reporting quarter to certify the funds were utilized in accordance with the approved budget. Every quarter, grantees are to submit the EDR directly to the GOTR. If there are no funds obligated or liquidated during the 1<sup>st</sup> quarter of the FY, an EDR must still be submitted to the GOTR.
  - ii. **Negative costs should not be reported on the EDR.** Per VPL 06-15 Corrected, each State Plan must accurately forecast staffing to ensure the base allocation target will cover all positions. Furthermore, the grantees assume the risk associated with negative costs if the positions' cost exceeds the allocated funding received. Also, if the grantee overspent overall, the amount overspent is **NOT** recorded on the EDR. However, if the grantee has funds available in other cost categories, the grantee can move the funds to cover funding shortages. If the funding change is equal to or more than 10 percent in a FY, a modification must be submitted to the GOTR for approval through the GRS. If the change is less than 10 of the total funds, the grantee should notify the GOTR but no modification is needed.
  - iii. NOTE: There are two EDR forms available to the grantee depending on the type of accounting system used. The VETS-402A form is used to report quarterly expenditures and the VETS-402B is used to report year-to-date expenditures. The approved Office of Management and Budget (OMB) forms are available on the VETS homepage at: [https://www.dol.gov/vets/grants/state/jvsg\\_forms.htm](https://www.dol.gov/vets/grants/state/jvsg_forms.htm).

## VI. **Quarterly Performance and Narrative Report**

The grantee must submit a VETS-403 JVSG Technical Performance Narrative (TPN) to the GOTR within 45 days of the end of each FY quarter. The TPN must be signed by the State Agency Administrator or the Administrator's designee attesting to the accuracy and completeness before submission to the GOTR. At a minimum, the TPN must contain the following:

- (a) An analysis of the actual obligations compared to the planned budget to ensure they are within a reasonable tolerance of their planned expenditures. The analysis includes informal modifications not requiring Grant Officer approval. NOTE: Acceptable tolerance should be within +/- 10 percent of the most recently approved Annual Funding Modification or Interim Modification.
- (b) An analysis of the actual percentage of JVSG funds obligated to pay for grant funded staff salaries and benefits, i.e., Personal Services (PS) and Personnel Benefits (PB) as a percentage of total costs compared to the approved Annual Funding /Interim

Modification (PS+PB/Total ratio). The analysis includes informal modifications not requiring Grant Officer approval. NOTE: Acceptable tolerance should be within +/- 5 percent of the most recently approved Annual Funding Modification or Interim Modification. An explanation is required if the change is greater than – 5 percent variance.

- (c) The quarterly TPN should include an explanation of under-spent or under-obligated funds. If the grantee determines these funds are not needed, the grantee should inform their GOTR and discuss the possibility of de-obligating (decrease of fiscal year funding allocation **after** obligation of annual funds) or reducing a future allocation of funds (decrease of fiscal year funding allocation **prior** to obligation of full annual funds).
- (d) During 3<sup>rd</sup> quarter reporting ONLY: A 5<sup>th</sup> quarter spend plan, if carry-over funds are forecasted. The grantees are required to forecast spending to determine the amount of un-obligated funding that may be available at the end of the FY. The plan must stipulate how the available funds will be utilized, and must be submitted with the 3<sup>rd</sup> quarter TPN. Grantees with excess FY (non-incentive award) funds can request a 5<sup>th</sup> quarter spend plan approval to carry-in funds on a First-In, First-Out (FIFO) basis to supplant 1<sup>st</sup> quarter funds in the new FY. NOTE: Approved 5<sup>th</sup> quarter spend plan expenses other than staffing, (e.g., travel, equipment, etc.), will not be included when calculating Cost per Position (CPP) and PS+PB/Total ratios for the following FY.
- (e) An analysis of JVSG performance outcome data, reported in the Workforce Integrated Performance System (WIPS), along with an analysis of the quarterly performance outcomes and the grantee's progress toward achieving the Program Year (PY) negotiated performance goals. The analysis should identify current and/or anticipated issues that affect services to veterans and any actions planned or currently taken to address such issues.
- (f) An analysis and explanation of the Individualized Career Services (ICS) rate, if the overall rate is below 90 percent.
- (g) An analysis and explanation of any services provided to nonveterans by DVOP specialist(s).
- (h) An analysis of staff utilization rates. The utilization rate is a comparison of the number of Full-Time Equivalent (FTE) positions approved in the most recently approved Annual Funding Modification or Interim Modification for each program with the average number of Base Positions Paid (BPP) reported for that program.
- (i) An analysis and explanation of staff positions that were or are vacant 60 days or more during the quarter reported and the actions taken to fulfill the grantee's staffing plan. The analysis should also include positions vacated and filled in the preceding quarter, if the total vacancy period equaled or exceeded 60 days.

- (j) A report of each JVSG funded position filled by a nonveteran for a period of six (6) months or more, including the rationale for staffing the position with a nonveteran.
- (k) An analysis of services provided and/or best practices by LVER staff to promote the HIRE Veterans Medallion Program (HVMP).
- (l) A list of changes to the annual approved VETS-501 JVSG Staffing Directory that occurred during the past quarter, including names and office locations of newly assigned JVSG funded staff, and dates assigned/separated. NOTE: If there were no changes to the current staffing plan during the quarter, the state should indicate there were no changes in staffing.

**VII. Manager’s Reports on Services to Veterans**

- (a) The Manager’s Reports on Services to Veterans is mandated by U.S.C. § 4104(f), and requires submission of quarterly reports regarding “compliance with Federal law and regulations with respect to special services and priorities for eligible veterans and eligible persons”. This narrative report is provided to the GOTR, NLT 45 days following the end of each FY quarter.
- (b) Every American Job Center (AJC) with assigned LVER staff receiving DOL VETS funds must be covered by a report.
- (c) Each Manager’s Report narrative must include the following information:
  - i. Time Period Covered - FY and quarter;
  - ii. Office or Area Covered - name and location or description of AJC or area covered;
  - iii. Report Author - Name of individual(s) primarily responsible for the preparation and submission of the report; and
  - iv. LVER Services:
    - 1. Summarize outreach efforts to employers in the area to assist eligible populations with Significant Barriers to Employment (SBE) in gaining employment. Such efforts include conducting seminars for employers, and in conjunction with employers, conducting job search workshops and establishing job search groups.
    - 2. Summarize efforts in facilitating employment, training, and placement services provided to eligible populations with SBEs through state employment service delivery systems.

**VIII. Annual Incentive Award Report**

The grantees with approved Incentive Award Plans must obligate and expend funds by September 30 of the FY for which the plan was approved.

- (a) An annual Incentive Awards Report on those expenditures must be provided in accordance with the most recent Incentive Awards VPL. The Incentive Award report is due, NLT November 14 of each FY, with the 4<sup>th</sup> quarter reports. The report must detail all incentive awards made to individuals and to offices by:
  - i. Identifying all individual award recipients by name and title;
  - ii. Identifying all office recipients by office name, location, type of office (e.g., AJC, AJC affiliate, Employment Service Office, etc.); and
  - iii. Including a description of the value of each award.
- (b) Incentive Award funds should be used in accordance with the approved State Plan, per the grant's Terms and Conditions. Any unspent incentive award funding will be de-obligated during the grant closeout of the applicable FY and will not be available for other purposes including 5<sup>th</sup> quarter spending.
- (c) The amounts obligated or expended on Incentive Awards in any quarter must be reported in the appropriate area of the EDR and included in the totals on the FFR entered in the GRS.
- (d) If the grantee deviates from the approved Incentive Award plan, approved in the annual State Plan, a modification is required prior to obligating or expending any funds.

**IX. Final, 5<sup>th</sup> Quarter, and Closeout Fiscal Reports**

The final and 5<sup>th</sup> quarter fiscal reports must be submitted to the GOTR, NLT 30 days after the end of the quarter that all obligations were liquidated, but in all circumstances no later than January 30 of the following FY. The closeout report is submitted to the GOTR, no later than 90 days after the end of the period of performance by March 31.

- (a) Final Fiscal Reports: Submitted when all FY funds are obligated. The report may be submitted as early as October 30, if no 5<sup>th</sup> quarter funds are available. The FFR must be entered in the GRS and the "Final" box on the FFR SF-425 checked "yes" to generate the closeout FFR. All unliquidated obligations must be liquidated within the 90-day closeout period.
- (b) 5<sup>th</sup> Quarter Fiscal Reports (if applicable):
  - i. JVSG funds not obligated by September 30 can be carried into the first quarter of the next FY or the 5<sup>th</sup> quarter of the current FY, if approved by the Department of Labor's annual appropriation.
  - ii. The grantees must submit a 5<sup>th</sup> quarter spend plan to their GOTR, prior to obligating carry-in funds for any purpose, such as staffing, conferences, training or equipment. The 5<sup>th</sup> quarter spend plan must be submitted along with the 3<sup>rd</sup> quarter

TPN. The 5<sup>th</sup> quarter spend plan must anticipate the end of the FY's remaining spending amount and include a funds expenditure detailed plan for purposes other than staffing (used as FIFO). The 5<sup>th</sup> quarter spend plan requires Regional Administrator for Veterans' Employment and Training (RAVET) approval. The grantee can assume the 5<sup>th</sup> quarter spend plan is approved, unless the GOTR informs the grantee otherwise, prior to September 30.

- iii. Funds not obligated in the prior FY and carried over to the next FY 1<sup>st</sup> quarter report, must be used per the 5<sup>th</sup> quarter spending plan, on a FIFO basis. Unobligated funds must be proportionately applied to each object class on the next fiscal year's 1<sup>st</sup> quarter fund's obligations. However, when funds are expended or obligated in the 5<sup>th</sup> quarter the fiscal report is submitted separately from the concurrent 1<sup>st</sup> quarter report. The 5<sup>th</sup> quarter report will include a FFR, and an EDR.
  - iv. When all FY funds are obligated by December 31, the 5<sup>th</sup> quarter report is due the following FY, on January 30. The FFR must be entered in the GRS and the "Final" box checked "yes".
- (c) Closeout Fiscal Reports: Per 2 CFR 200.344(b) - Closeout, *"unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all obligations incurred under the Federal award, no later than 90 calendar days after the end date of the period of performance, as specified in the terms and conditions of the Federal award"*. Therefore, unless the VETS' Grant Officer has granted an extension, all obligated funds must be liquidated within the 90-day liquidation period (also known as "closeout" period). The grantees are not permitted to obligate any funds after December 31 or pay an expenditure for an obligation incurred after December 31. All unliquidated obligations must be liquidated within the 90-day closeout period, but no later than March 30 of the following year.

NOTE: Once the appropriate FFR (4<sup>th</sup> quarter or 5<sup>th</sup> quarter) is marked Final in the GRS, the Closeout FFR will become available in the GRS. The cumulative data from the final report is carried forward in the closeout report. A new cumulative column is available to update closeout entries, if needed. If the data has not changed, entering the closeout report in the GRS along with the corresponding EDR is all that is required. The closeout report is certified by the state for review and accepted by the GOTR.

## X. **Submission of Reports**

- (a) The grantees will submit all reports in accordance with the dates listed in Section V.
- (b) No extension is provided for due dates that fall on a holiday or weekend.
- (c) The grantees must submit completed forms (VETS 401, 402, 501, and 403) as workbooks in Excel format (PDFs and scanned reports will not be accepted).

- (d) The grantees must immediately notify the GOTR if problems occur when submitting or validating performance reports. The GOTR will advise the grantees if a reporting extension will be granted. Performance reporting delays do NOT delay submitting the quarterly financial reports.

**XI. Actions Required**

- (a) The GOTRs will determine, after meeting with the State Agency, how the AJCs are required to provide a Manager's Reports on Services to Veterans. The decision may be to submit the reports by individual AJC, regional compilation, or some other agreed upon grouping. NOTE: This action item is taken when a new FY staffing plan is presented.
- (b) The grantees will submit all recurring reports in accordance with the instructions provided in this directive. The GOTRs will provide technical assistance as required or requested.
- (c) The GOTRs will thoroughly analyze all report information and accept the financial reports within 15 days and forward the reports to their RAVET with any recommendations regarding excess funds de-obligation or allocation reductions.
- (d) The RAVETs will review all non SF-425 reports and recommend approval or disapproval of the GOTR recommendations.
- (e) The RAVETs will provide summaries of findings to the GOTR when the review is complete.
- (f) The GOTRs will notify grantees when JVSG Quarterly Reports (including 5<sup>th</sup> quarter, Final, Closeout and Annual Incentive Awards Report) are reviewed and completed.

**XII. Inquiries**

- (a) The Grantees can address questions to the GOTR. The GOTRs and other VETS staff can contact their RAVET with questions.
- (b) RAVETs can contact the JVSG Program Lead at the National Office.

**XIII. Expiration Date**

This VPL will be reviewed for relevance on or before August 31, 2021. It shall remain in effect until rescinded or superseded.