



SEP 15 2016

MEMORANDUM FOR: Jobs for Veterans State Grant (JVSG) Recipients and  
Veterans' Employment and Training Service Staff

FROM: THOMAS MARTIN   
Grant Officer  
Employment and Training Administration (ETA)

SUBJECT: JVSG Program Changes

The Department of Labor, Veterans' Employment and Training Service (VETS) is currently making revisions to the JVSG Special Grant Provisions (SGP) and implementing other pertinent program changes to be effective Fiscal Year (FY) 2017. Please accept this memorandum as advance notice of the changes that will take effect.

The major JVSG program changes to take effect and be implemented in FY 2017 are the following:

1. **Unspent Incentive Award Funding used as First in First out (FIFO) Funding.** To ensure the integrity of the intended legislative purpose of incentive award funding, VETS is ending the practice of allowing JVSG recipients to utilize unspent incentive award funding as 5<sup>th</sup> quarter FIFO. Any unspent incentive award funding will be deobligated during the grant close out of the applicable fiscal year and will not be available for FIFO use. *Please note: This change takes effect with the receipt of this memorandum and is effective for any unspent FY16 incentive award funds.*
2. **Issuance of Notice of Award (NOA)/Notice of Obligation (NOO).** For all grant actions processed, the official NOA/NOO will be executed by the Grant Officer, and a copy of the NOA/NOO will be issued by the Grant Officer Technical Representative (GOTR) to the grantee. *Please note: RAVETs will no longer issue notice of obligation authority letters.*
3. **Flexible Quarterly Spending.** To allow JVSG recipients spending flexibility without quarterly restrictions of allocated funds, VETS has removed the requirement for grantees to only spend according to their planned quarterly budget. Additionally, JVSG recipients are no longer required to wait for notification prior to drawing down allocated funds each quarter. *Please note: States are still required to submit a budget plan and report accordingly and will still be held to their annual funding allocation.*
4. **Grant Terms and Conditions.** VETS' current JVSG General Grant Provisions & Special Grant Provisions documents will be streamlined and combined to become the "Terms and Conditions" for JVSG grantees. The JVSG "Terms and Conditions" documents will be issued with the FY17 annual funding modifications.



5. **New Grant Numbers.** Beginning FY 2017, JVSG grantees will be issued new grant numbers annually. This change will create stronger fiscal controls, streamlined financial management and help to improve and simplify grant close out processes. *Please note: This change will not affect the current 5-year JVSG grant cycle, 4-year WIOA grant cycle, or the period of performance.*
  
6. **Elimination of Health and Human Services (HHS) / Payment Management System (PMS), Federal Financial Reporting (SF-425).** In an effort to comply with grantee uniform guidance (2 CFR 200.335) and to relieve the duplicative reporting burden, beginning in FY 2017 new HHS/PMS financial accounts will be established for JVSG recipients that will not require additional SF-425 reporting. Submission of the quarterly SF-425 report will only be required in the E-grants system.

If you have any questions regarding these changes, please contact the Grant Officer Technical Representative for your grant.