



APR -6 2012

VETERANS' PROGRAM LETTER NO. 06-12

TO: ALL REGIONAL ADMINISTRATORS AND DIRECTORS FOR VETERANS'
EMPLOYMENT AND TRAINING
ALL STATE AGENCY ADMINISTRATORS
ALL REGIONAL ADMINISTRATORS, EMPLOYMENT AND TRAINING
ADMINISTRATION (INFO)

FROM: ISMAEL ORTIZ, JR.

A handwritten signature in black ink, appearing to read "Ismael Ortiz, Jr.", is written over the name in the "FROM:" field.

SUBJECT: Amended Quarterly Financial Reporting Instructions for Transition
Assistance Program Funding Awarded under the Jobs for Veterans
State Grant

- I. **Purpose:** To transmit revised guidance on quarterly financial reports for the Jobs for Veterans State Grant (JVSG) submitted by State Agencies (SA). This guidance applies to all States, whether or not they receive additional funding to facilitate Transition Assistance Program (TAP) Employment Workshops.
- II. **References:** Title 38, United States Code (38 U.S.C.), Chapters 41 and 42; Veterans' Program Letter (VPL) 01-10, JVSG Recurring Report Requirements, dated January 15, 2010, and JVSG Special Grant Provisions dated May, 2011, Section V.
- III. **Background:** The Veterans' Employment and Training Service (VETS) provides JVSG funding to States to staff and support Disabled Veterans' Outreach Program (DVOP) specialist positions, Local Veterans' Employment Representative (LVER) staff positions, and any additional staff that facilitate TAP Employment Workshops. TAP funding has historically been provided as a sub-program of LVER funding. In response to a request made by the Office of Management and Budget (OMB), VETS is funding TAP facilitation as a stand-alone program beginning in Fiscal Year (FY) 2012. This policy change makes it necessary to revise the forms used by States to report JVSG expenditures and obligations.
- IV. **Summary of Changes:** The quarterly JVSG financial reporting process changes include:
 - Notifying States of the amount of funding authorized for their use and available for drawdown using a revised Notice of Obligation Authority (NOA);
 - Requiring States to report all expenditures, funds obligated, staff positions paid, and number of TAP workshops facilitated on a revised VETS 402A/B, Expenditure Detail Report (EDR);

- Requiring States to separately report all expenditures and obligations for TAP on a stand alone Standard Form (SF) 425, Federal Financial Report (FFR) in the Grantee Reporting System in addition to the SF 425 forms completed for DVOP and LVER expenditures; and
- Requiring States to provide separate analysis and reallocation recommendations for TAP funding in their quarterly Technical Performance Narrative (TPN).

V. **Surplus TAP Funding:** States should be aware that it will no longer be possible to use surplus TAP funding to offset LVER staffing costs in the 5th quarter or move that funding to DVOP through an interim modification. TAP funds will not be used for any purpose other than travel to and from and to facilitate TAP Employment Workshops.

States should closely monitor surplus TAP funding at the end of each quarter and make realistic reallocation requests when forecasted spending indicates a surplus will exist beyond what can be obligated for TAP by the end of the 5th quarter. This analysis and reallocation request should be included in the quarterly TPN. Like funding for DVOP, LVER and Special Initiatives, States must use TAP funding first-in, first-out to cover costs associated with the facilitation of TAP Employment workshops in the 5th quarter. TAP funding awarded for the new fiscal year will not be used until all of the previous fiscal year's funding has been obligated.

VI. **Implementing the Revised Requirements:** Establishing TAP as a stand-alone funding stream required VETS to create a separate Appropriation code under which to award funds to State Agencies and to permit them to draw down the funding. This code had to be added to the Department of Labor's Grantee Reporting System and the Health and Human Services' Payment Management System (HHS-PMS). These changes could not be fully implemented until the Department of Labor received its annual FY 2012 funding appropriation. That delay prevented VETS from finalizing the updates to the automated reporting systems before 1st quarter, FY 2012 reports were due. Therefore, States are required to revise the FY 2012, 1st quarter financial report already submitted and to begin reporting under the revised requirements described in this VPL with the 2nd quarter report.

The NOAs for the period ending March 31, 2012 that were issued to States receiving additional funding to facilitate TAP Employment Workshops, listed the separate Appropriation code for TAP. The amount of funding awarded for TAP in the 1st quarter was subtracted from the LVER funding stream and listed as a separate funding amount on that NOA. States must use these funding amounts to correct 1st quarter financial reports and to report 2nd quarter allocated funding, outlays and obligations.

In an effort to ease the burden on States, VETS has entered 1st quarter financial data on the revised VETS 402 A/B, EDR. Directors for Veterans' Employment and Training (DVETs) will provide the revised VETS 402A/B, EDR to the State before 2nd quarter reporting begins. Upon issuance of this VPL, States **must** use the VETS 402A/B form that contains a revision date of March, 2012.

States were required to identify the amount, if any, obligated for TAP in the Remarks block of the LVER FFR in the 1st quarter. In order to correctly report separate amounts for LVER and TAP for the remainder of FY 2012, States that obligated funding for TAP in the 1st quarter must amend the LVER FFR. Those States should:

- Subtract all outlays and unliquidated obligations for TAP from the total outlays and obligations reported;
- Enter the balances (Lines 10e and 10f) on the 1st quarter LVER FFR; and
- Report total cumulative outlays and obligations for TAP on the 2nd quarter TAP FFR.

NOTE: After entering and certifying amended 1st quarter reports, States should notify the DVET to allow him or her to accept those reports before entering 2nd quarter reports.

VII. The Revised VETS 402A/B, EDR: As stated above, VETS will provide states with a revised EDR that contains 1st quarter data previously reported. States should verify that this is the most current data reported to VETS before entering 2nd quarter data. If a discrepancy is noted, States should consult with the DVET to ensure he or she has the most current report.

Instructions for completing the revised version of the EDR can be found on the VETS homepage at: http://www.dol.gov/vets/grants/state/jvsg_forms.htm. The revised form contains the following changes:

- In Section B, separate lines for DVOP and LVER activities were added. Excel will calculate these amounts by subtracting Special Initiative funding from the total funding for each program. The amount calculated for LVER Activities includes the amount awarded for Incentive Awards, if any.
- In Section B, the amount of funding awarded for TAP is now listed separately and is no longer a subset of LVER funding.
- In Section C, a new stand-alone subsection was created to report TAP outlays and obligations.
- In Section D, the Excel spreadsheet will now calculate the Unobligated Balance for all funding streams, i.e. Total DVOP, DVOP Activities, DVOP Special Initiatives, Total LVER, LVER Activities, LVER Special Initiatives, and TAP. Please note that the Unobligated Balance for LVER Activities includes Incentive Award funding, if any.

VIII. Actions Required:

- A. Upon receipt, DVETs must provide the appropriate revised VETS 402A/B, EDR to the State.
- B. States should compare the data entered for Quarter 1 on the VETS 402A/B, EDR provided by the DVET to the most current EDR on record to ensure it is accurate; if discrepancies are found, they should be resolved to ensure the VETS National Office has the most current EDR for the 1st quarter.
- C. States that reported outlays or obligations for TAP in the 1st quarter should:
 - i. Amend that quarter's LVER FFR as described in paragraph VII., above; and
 - ii. Enter TAP financial data on the TAP FFR.

- D. After entering and certifying amended 1st quarter reports, States should notify the DVET to allow him or her to accept those reports before entering 2nd quarter reports.
 - E. States should report all FY 2012, 2nd quarter JVSG financial information using the new VETS 402A/B, EDR provided by and reconciled with the DVET.
 - F. States that expended or obligated TAP funding in the 2nd quarter and subsequent quarters should submit a TAP FFR in the DOL's Grantee Reporting System.
- IX. Inquiries:** Questions should be referred to the appropriate DVET. DVETs or other VETS staff should refer questions to the appropriate Regional Administrator for Veterans' Employment and Training (RAVET). Issues that cannot be resolved by the Regional Office should be addressed to the State Grants Lead at the VETS National Office at (202) 693-4709.
- X. Expiration Date:** When superseded or rescinded.