



January 18, 2008

VETERANS' PROGRAM LETTER NO. 02-08

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

FROM:  CHARLES S. CICCOLELLA

SUBJECT: Jobs for Veterans State Grant Reporting

- I. **Purpose:** To provide guidance to States on all recurring reporting requirements for the Jobs for Veterans State Grants.
- II. **Rescissions:** Veterans' Program Letter (VPL) 02-06, Jobs for Veterans State Grant Reporting, dated February 8, 2006 is rescinded upon completion of all FY 2007 recurring report requirements.
- III. **References:** Title 38 United States Code, Chapter 41 (38 U.S.C. 41) as amended by Public Law (P.L.) 109-461, enacted December 22, 2006; 29 Code of Federal Regulations (CFR) Part 97, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; Special Grant Provisions for Jobs for Veterans State Grants, dated October 1, 2007; VPL 05-05, Direct and Indirect Charges to the Fiscal Year (FY) 2005-2009 Jobs for Veterans State Grants, dated May 23, 2005; VPL 07-05, Staffing, Reporting Requirements and Roles and Responsibilities of the Disabled Veterans' Outreach Program Specialist (DVOP) and Local Veterans' Employment Representative (LVER) under the Jobs for Veterans State Grants, dated July 27, 2005; and VPL 02-07, Annual Performance Incentive Awards for State Employees and Employment Service Offices, dated May 1, 2007.
- IV. **Background:** The Veterans' Employment and Training Service (VETS) provides Jobs for Veterans State Grant allocations to States based upon a funding formula. The grant award is allocated to two separate programs, DVOP and LVER, on a quarterly basis and in accordance with approved State Plans. State Agencies are required to submit fiscal, program activity, and outcome reports each Federal fiscal quarter.

To fulfill legislatively mandated grant oversight requirements, VETS monitors expenditures reported by grantees to ensure funds are spent in accordance with cost principles established for Federal awards to State governments and with approved State Plans.

The Manager's Report on Services to Veterans is required by legislation. It is used to ensure local offices are aware of and comply with the processes and objectives outlined in the State Plan, to identify areas where technical assistance is needed, and to recognize noteworthy achievements and best practices.

**NOTE:** States may submit the remaining quarterly reports for the FY 2007 Jobs for Veterans State Grants to include 5<sup>th</sup> quarter, final, and Incentive Award Summary Reports in accordance with VPL 02-06. States must follow the reporting guidance in this VPL beginning with the 1<sup>st</sup> quarter report FY 2008.

V. **Summary of Changes:** The significant reporting requirement and policy changes are summarized below:

- The Expenditure Detail Report has been modified to include:
  - Allocated funding for Special Initiatives and the Transition Assistance Program (TAP);
  - Base positions paid by each separate funding source on the Notice of Obligation Authority (NOA);
  - Federal share of unliquidated obligations for each program;
  - Calculated unobligated balance for Special Initiatives and TAP;
  - Annotation of the 4<sup>th</sup> or 5<sup>th</sup> quarter report as "Final;" and
  - A worksheet titled "Final" to be used **only** when funds are obligated in the 5<sup>th</sup> quarter and liquidated in the following quarter (2nd quarter of the following fiscal year);
- When 5<sup>th</sup> quarter obligations are authorized, States will be allowed to expend Incentive Award Funding not obligated by September 30<sup>th</sup> on staff salaries and expenses (see paragraph VI. C. below);
- All Staffing Directories must include the information described in paragraph VII. E. below; and
- The annual Incentive Award Summary Report requirements have been modified to include recipient employment service offices as allowed by P.L. 109-461.

VI. **Recurring Reports:** State Agencies are required to provide the following reports on a recurring basis:

A. Manager's Quarterly Report on Services to Veterans as described in VPL 07-05: These reports are submitted in hard copy to the Director for Veterans' Employment and Training (DVET) and/or the designated manager as agreed upon through consultation with the State Administrator;

B. Jobs for Veterans State Grant Quarterly Report that includes:

- A fiscal report described in paragraphs VII A. and VII B. below;

- The quarterly program activity and outcome reports described in paragraph VII. C. below;
- A Technical Performance Narrative (TPN) described in paragraph VII. D. below; and
- A staffing directory.

Excel versions of the fiscal forms and staffing directory needed to complete the Quarterly Report can be found at: <http://www.dol.gov/vets> under the Veterans State Grants heading on the right side of the page. While not required, States are strongly encouraged to use the forms provided.

- C. Annual Incentive Awards Summary Report (for States with approved plans) as described in VPL 02-07: VETS is required to provide detailed information to Congress on the expenditure of Incentive Award funds by February 1<sup>st</sup> of each year. Therefore, States with approved Incentive Award plans must obligate these funds by September 30<sup>th</sup> of the year in which they were awarded. An annual Incentive Awards report on those obligations or expenditures must be provided with the quarterly report due the following November 14<sup>th</sup> in accordance with VPL 02-07, paragraph VI.

VETS will identify Incentive Award funds not obligated by September 30<sup>th</sup> from each State's Annual Incentive Award Report. Although the intent of Incentive Award funds is that they be expended solely on incentive awards in accordance with the approved State Plan, in order that these funds do not remain unobligated and therefore do not benefit any veteran seeking employment, States are authorized to carry these funds into the next fiscal year and obligate them for LVER staff salaries and expenses on a first-in, first-out (FIFO) basis no later than December 31<sup>st</sup>.

Please also note that VETS will reduce the State's allocation for the subsequent FY by an amount equal to any unobligated Incentive Award funds carried in from the previous FY.

The amounts obligated or expended on Incentive Awards will be included in the appropriate area of the Expenditure Detail Report (or alternate format) and will be included in the totals on the Federal Financial Report for the LVER program. If there are differences between the amounts reported on the November 14<sup>th</sup> report and the actual expenditures, the first report should be corrected and an explanation should be included in the appropriate quarterly TPN.

- VII. Jobs for Veterans State Grant Quarterly Report:** In accordance with the Special Grant Provisions, all financial reports submitted to VETS will be identified by State name, grant number, current FY, FY quarter and date prepared. A quarterly report is required for each of the four Federal fiscal quarters. In some cases, States may be required to submit a "5<sup>th</sup> quarter" and Final report. These requirements are explained in paragraph VIII. The four quarterly reports will include the following forms and/or information:

- A. Federal Financial Reports (currently the Standard Form 269A):** Two Federal Financial Report forms will be submitted for each quarter, one to report total DVOP program outlays and one to report total LVER program outlays. States must provide the

grant number in the appropriate block of the Federal Financial Reports. To differentiate the forms for each program, States must also include the acronym “DVOP” or Catalog of Federal Domestic Assistance (CFDA) number “17-801” on the report for the DVOP program and the acronym “LVER” or CFDA number “17-804” on the report for the LVER program in that same block. For reporting purposes, the total costs associated with TAP, LVER Special Initiatives and Incentive Awards will be included in the totals reported on the form for the LVER program. Expenditures for DVOP Special Initiatives will be included in the totals reported on the form for the DVOP program.

**B. Expenditure Detail Report (EDR) or alternate format:** The EDR provides VETS with detailed outlay and obligation information to ensure grant funds are spent in accordance with the approved State Plan and as allocated. It provides information on the number of staff paid by each funding source, i.e. Special Initiatives, TAP, DVOP, and LVER, and the number of TAP Employment Workshops facilitated by grant funded staff. The EDR also compares the amount spent from each funding source to the amount allocated to ensure that funds designated for one purpose are not used to cover the expenditures of another.

Since accounting systems vary, two versions of the EDR are provided - one for States whose accounting reports provide quarterly expenditures and one for States whose accounting reports provide year-to-date expenditures. Any format may be used to report the required information, but States are encouraged to use the Excel workbooks provided. Each workbook contains a worksheet for each quarter, auto-calculates information and provides a cross-walk to expenditures reported on the Federal Financial Report. If an alternate format is submitted, it must contain all information on the EDR (all blocks that appear highlighted in yellow).

**C. Quarterly Program Activity and Outcome Reports (currently the ETA 9002 and VETS 200 reports):** A copy of all activity and outcome reports provided to the Employment and Training Administration on the Labor Exchange and on services to veterans will be provided to the DVET.

**D. Technical Performance Narrative (TPN):** The final TPN submitted to the DVET and the Grant Officer **must** be signed by the State Agency Administrator or his/her designee and will attest that the report is accurate and complete. At a minimum, the TPN will contain the following information:

1. An analysis and explanation of the total actual grant expenditures compared to the planned budget submitted and approved by VETS and the Grant Officer with emphasis on the rationale of any indirect costs that exceed the approved plan or indirect cost rate, as well as any corrective actions taken to align expenditures with the State's spending plan;

**NOTE: As per the Special Grant Provisions, grant funds that are not expended in accordance with the State Plan are subject to reallocation each quarter.**

2. An overview of activity and performance data reported with an analysis of the State's progress toward meeting negotiated performance outcomes. The analysis should identify current and/or anticipated issues that may impact services to veterans and any actions planned or taken to date to address such issues;
3. An analysis and explanation of any services provided to non-veterans by DVOP specialists and/or LVER staff;
4. An analysis and explanation of staff positions that were or are vacant for 60 days or more at anytime during the quarter reported including actions taken to fulfill the State's staffing plan. This includes positions that became vacant in a preceding quarter and those filled during this quarter if the entire vacant period exceeded 60 days;
5. An explanation for all JVSG funded positions filled by a non-veteran for a period of six months or more;
6. A listing of special activities and/or best practices that have impacted services to veterans and/or enhanced performance of the DVOP or LVER program staff.

**E. Staffing Directory:** P.L. 109-461 stipulates that all DVOP specialists and LVER staff appointed to their position after January 1, 2006 receive specialized training from the National Veterans' Training Institute (NVTI). The directory provided at: <http://www.dol.gov/vets> under the Veterans State Grants heading on the right side of the page contains all staffing information needed by VETS for monitoring and reporting. The Agency has initiated the process of submitting this form for Office of Management and Budget approval to meet its statutory responsibility to monitor the mandatory NVTI training. While any format may be submitted to reflect current staffing information, States are strongly encouraged to use the form provided. States that choose to use an alternate format must identify:

- All locations where full- and half-time DVOP specialists and LVER staff are assigned as a primary duty location (to include central and sub-state offices) by office name and address;
- All staff, whether funded in whole or in part by the grant, by name, position (DVOP or LVER), and type of appointment (half-time or full-time);
- Dates of appointment to the current position (DVOP or LVER);
- All staff funded through a Special Initiative or by grant funding to provide functional oversight, regional coordination or other supervisory/managerial responsibilities by title;
- All vacancies; and
- All positions filled by non-veterans for more than six months.

**VIII. 5<sup>th</sup> Quarter and Final Fiscal Reports:** When authorized by the Department of Labor's annual appropriation, funds awarded under the Jobs for Veterans State Grants not expended by September 30<sup>th</sup> are allowed to be carried into the fifth quarter or, the first quarter of the

next fiscal year. States are strongly encouraged to carry this funding forward and use it on a FIFO basis for staff salaries and expenses. Prior to obligating “5<sup>th</sup> quarter” funds for any other purpose such as conferences, training, or equipment, States must submit a request through their DVET and receive approval from the Regional Administrator for Veterans’ Employment and Training (RAVET).

In all cases, 5<sup>th</sup> quarter funds are to be used on a FIFO basis. Additionally, 5<sup>th</sup> quarter outlays for staff expenses will be apportioned to each object class category proportionately with the amount of the next fiscal year’s first quarter funds expended. As a simple example, if a State charges a total of \$100,000 to DVOP in the first quarter of which \$20,000 (20%) is from 5<sup>th</sup> quarter carry-in, they should charge 20% of all costs for salaries, benefits, travel, etc. to the 5<sup>th</sup> quarter and 80% to the 1<sup>st</sup> quarter. When funds are expended or obligated in the 5<sup>th</sup> quarter, a separate fiscal report must be submitted. This report will include a Federal Financial Report for each program in which funds were spent or obligated and an EDR and transmittal memorandum that explains how the funds were used.

All States must submit a “Final” fiscal report for both the DVOP and LVER programs. The timing of the Final reports may be different for each program and will depend upon the quarter in which States determine that all obligations for the program are known. This Final report for each program is due at the end of quarter following the last quarter in which funds were expended in that program and in all circumstances, no later than May 15<sup>th</sup> of the following fiscal year. Specifically:

- When all fiscal year obligations are liquidated by September 30<sup>th</sup>, the 4<sup>th</sup> quarter report can be considered “Final” by checking the appropriate blocks on the Federal Financial Report and 4<sup>th</sup> quarter EDR or a separate “Final” report is due no later than February 14<sup>th</sup> of the following fiscal year;
- When all fiscal year obligations are liquidated at the end of the 5<sup>th</sup> quarter (December 31<sup>st</sup>), the 5<sup>th</sup> quarter report can be considered “Final” by checking the appropriate blocks on the Federal Financial Report and 5<sup>th</sup> quarter EDR submitted NLT February 14<sup>th</sup> of the following year or in a separate “Final” report due NLT May 15<sup>th</sup> of the fiscal year;
- When funds obligated in the 5<sup>th</sup> quarter are liquidated in the 2<sup>nd</sup> quarter of the next fiscal year, States should submit a properly annotated Federal Financial Report and the Final EDR NLT May 15<sup>th</sup> of the next fiscal year. This is the **only** circumstance in which States should use the “Final” worksheet in the EDR workbook.

**IX. Submission and Distribution of Reports:** States will submit all reports in accordance with the following due dates and distribution guidelines:

<b>Recurring Report</b>	<b>Dates Due: (Note any due dates that fall on a weekend are due the Friday prior)</b>	<b>Electronic and Hard Copy to:</b>	<b>Approved Original to:</b>
<b>Jobs for Veterans State Grant Quarterly Report (4 times/year)</b>			
TPN, Federal Financial Reports, EDRs (or alternate format), Staffing Directory, and Program Activity and Outcome Reports	45 days after the end of each FY quarter	DVET	Grant Officer
<b>5<sup>th</sup> Quarter Fiscal Report (if applicable)</b>			
Transmittal memorandum, Federal Financial Report(s) and EDR(s) or alternate format	February 15 <sup>th</sup> of the following FY	DVET	Grant Officer
<b>Final Fiscal Report (required)</b>			
TPN or transmittal memorandum, Federal Financial Report(s) and EDR(s) or alternate format	See Paragraph VIII above	DVET	Grant Officer
<b>Manager's Report on Services to Veterans</b>			
As described in most current VPL on subject	45 days after the end of each FY quarter	As negotiated with the State Agency	
<b>Annual Incentive Awards Summary Report</b>			
As described in most current VPL on subject	November 15 <sup>th</sup> of the following FY	DVET	Grant Officer

**X. Actions Required:**

- A. States will submit all recurring reports in accordance with the instructions provided in this directive. DVETs will provide technical assistance as needed or requested.
  
- B. DVETs will thoroughly analyze information provided in the Jobs for Veterans State Grant Quarterly Reports and the Annual Incentive Awards Summary Report and make recommendations regarding reallocations of unexpended funds. DVETs will ensure that hard copies and electronic copies provided by the state are identical. DVETs will maintain a file copy of all reports provided by the State. Unless otherwise informed, the report, including the DVET analysis and/or recommendations, will be forwarded electronically to the appropriate Regional Office no later than the due date set by the RAVET.

- C. RAVETs will review all submitted reports and approve or disapprove the DVET recommendations. RAVETs will provide their findings to the DVET when the review is complete. They will summarize all reports within their area of responsibility and provide an electronic rollup/executive summary report to the National Office DVOP/LVER Program Lead and the Jobs for Veterans Lead Center in Chicago.
  
- D. DVETs will notify States when the review of each Jobs for Veterans State Grant Quarterly Report (including 5<sup>th</sup> quarter, Final and the Annual Incentive Awards Summary Report) is complete. Upon this notification, States will forward the originals of the most current, approved documents to the Grant Officer at:

Department of Labor  
Procurement Services Center  
200 Constitution Avenue NW, Room S 4307  
Washington, DC 20210

Because all mail that is sent through the U.S. Postal Service is irradiated, States are encouraged to use FedEx, UPS, or other non-U.S. Postal Service carrier to forward reports to the Grant Officer.

- XI. Inquiries:** Grantees may address questions to their DVET. DVETs or other VETS staff with questions should contact their RAVET. RAVETs may contact the DVOP/LVER Program Lead at the National Office or Joel Delofsky at the Jobs for Veterans Lead Center in Chicago.
  
- XII. Expiration Date:** When rescinded or superseded.