



November 28, 2006

VETERANS' PROGRAM LETTER NO. 06-06

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

FROM: 
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SUBJECT: The Modification Request Process for Adjustments to Jobs for Veterans
State Grants for Fiscal Years (FY) 2007 - 2009

- I. **Purpose:** To provide guidance on the process and timelines for submitting modification requests for adjustments to Jobs for Veterans State Grants.
- II. **Rescissions:** Veterans' Program Letter (VPL) 07-04, dated July 21, 2004.
- III. **References:** Title 38, United States Code (U.S.C.), Chapter 41; VPL 03-04 Issuance of FY 2005-2009 Solicitation for Grant Applications (SGA), Jobs for Veterans State Grants for DVOP Specialists and LVER Staff, dated April 16, 2004; VPL 08-03 State Employee Incentive Awards, dated May 29, 2003; VPL 05-05 Direct and Indirect Charges to the 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 Special Grant Provisions for Jobs for Veterans State Grants, October 1, 2004 – September 30, 2009, dated February 1, 2006.
- IV. **Background:** In FY 2004, the Veterans' Employment and Training Service (VETS) began allocating funds based on the funding formula calculation as required by P.L. 107-288, The Jobs for Veterans' Act of 2002. One of the requirements for receiving funding is the submission of a multi-year Jobs for Veterans Grant State Plan by each grant recipient. The five-year plan describes the manner in which the State will provide or

facilitate the provision of employment, training, and placement services for veterans, transitioning service members and other eligible persons. It also indicates how the State's allocation will be divided between the Disabled Veterans' Outreach Program (DVOP) and Local Veterans' Employment Representative (LVER) programs and associated program staff activities. Each Federal fiscal year following the initial year of a multi-year grant, States review and update their approved five-year plan and submit a request for annual funding.

VETS has a statutory mandate to ensure States provide services that maximize employment and training opportunities for veterans and other eligible persons. As part of that responsibility, VETS monitors grantees' programmatic performance, use of funds and adherence to State Plans. Quarterly expenditures are reviewed and when there are significant under expenditures, VETS may reallocate these funds to meet other funding requests. Under normal circumstances, reallocations are effected by reducing the next Notice of Obligation Authority (NOA) for the quarter.

During the fiscal year, States may identify a need to amend the scope of their State Plan, the number/assignment of DVOP specialists and/or LVER staff needed to support grant goals and/or the funding levels that support the approved staffing levels contained in the State Plan. States may also identify a need to request additional funding to support a special initiative or respond to exigencies. Any significant changes to the cost, scope or conditions of the grant require Grant Officer approval. Therefore, under all of these circumstances, States should request a modification to their State Plan and receive approval prior to enacting the changes.

- V. **Modification Requests:** Modifications to the Jobs for Veterans State Grant Plan may be submitted as a completely separate request at the same time as the Annual Funding Request or at a later date. All modification requests must be received in the National Office at least forty-five (45) days before the quarter in which the State is requesting the changes to become effective. Requests for awards to be effective in the second quarter must be received by November 16th; awards to be effective in the third quarter must be received by February 14th and awards that will be effective in the fourth quarter must be received by May 17th.

Although fourth quarter allocations are issued during the first full week in July, States may submit a 4th quarter modification request for funds that might become available after this allocation. Requests for this funding must be received in the National Office prior to close of business on the first Friday in August in order to be considered for approval in the current fiscal year.

All requests for additional funding will be held for consideration in the order received, prioritized, and approved if and when funds become available. Approval or disapproval will be based on the merit of the request. States should clearly

describe all costs associated with the modification and the expected quantifiable outcomes associated with it.

When possible, approved modifications for additional funding will be incorporated into the requested quarterly allocation through the issuance of a NOA. The Grant officer will issue a letter of approval or disapproval in all cases. All funding, including approved modifications must be fully obligated by December 31st and expended by March 31st of the following year.

VI. Situations that Require Modification Requests: When States consider changing an approved Plan, they should consult with the appropriate Director for Veterans' Employment and Training (DVET) who will advise them whether a modification request is necessary. The following are examples, in priority order, of situations that require a modification request:

A. Special Initiatives: Approved Special Initiatives for Intergovernmental Personnel Act (IPA) assignments on a one year contract that spans across two fiscal years are forecast on the annual modification and require no further action. States may request funding for other Special Initiatives for short-term projects designed to meet the employment and training needs of special targeted categories of veterans or other eligible persons. Special Initiative funding covers a specified period of time with no expectation that it will be continued or re-approved for subsequent timeframes. Requests for Special Initiative funding should be submitted in a stand-alone modification request that clearly describes the scope and assignment of costs to a program, (DVOP or LVER), and the expected, quantifiable outcomes of the project.

B. Exigencies: Special funding may be made available to States for unanticipated situations such as large lay-offs, natural disasters, and/or large influxes of demobilized and transitioning service members unknown at the time of the grant application. Exigency funding will be awarded based on need and only when unobligated funds are available.

C. Changes to the Scope of the Program Plan: Congress mandated and VETS has implemented separate roles and responsibilities for DVOP specialists and LVER staff. States receive funding based on a formula mandated by law and establish staffing levels for each program based on their allocation and workforce needs. Any request to reassign staff or use excess funding in one program or activity to offset shortfalls in another program during the fiscal year should be submitted via a modification request. These requests must describe how the change will impact the programs or activities involved and will enhance services to veterans. The diverse roles of the DVOP specialist and LVER staff identified in the State's approved plan will be maintained until such time a requested change is approved.

D. Additional Funding: Requests for additional funding to cover a level of DVOP specialist and/or LVER staff positions above that supported by the allocation as

described in the State Plan or annual modification can be submitted at any time, but will not usually be considered for action until after the 2nd quarterly reports are received by the National Office.

The lowest priority for disbursing additional funding will be to support requests to purchase equipment, and/or to conduct training conferences. These modification requests should explain how approval will enhance or improve services to veterans, other eligible persons, specific categories of veterans and/or transitioning service members.

VII. Submission of Modification Requests: The Standard Form (SF) 424As used for a modification request are completed slightly differently than those submitted to request annual funding. States are strongly encouraged to review the examples provided as Attachments II and III to become familiar with the “baseline” amounts entered in Section D and the information needed to complete Section E. The SF 424A (DVOP) example represents a modification to the annual plan. The SF 424A (LVER) represents a modification to a previously approved modification. Both examples include the “baseline” SF 424A affected by the modification.

Attachment I contains all forms that are needed to complete a modification request. The SF 424 and SF 424A provided as separate electronic worksheets contain standardized information and locked cells where no entry of information is needed. Many worksheets cells are linked to self-populate other cells. States are strongly encouraged to use the electronic forms provided with this VPL to minimize errors and/or inclusion of extraneous information.

The following documents should be submitted to request modification to an existing, approved State Plan:

A. Transmittal Memorandum (required) - This memorandum is prepared in hard copy with original signature of an authorized agency representative. If a new administrative entity, a new Administrator, or a new State Agency official has been designated to operate the Jobs for Veterans State Grant since the last Standard Form (SF) 424 was submitted, the transmittal memorandum must contain the name(s) of all individual(s) authorized to enter into an agreement with the Department of Labor.

The memorandum should include a clear description of the changes requested in the modification request to include the intended results and an explanation of how the targeted category of veterans or transitioning service members will benefit. It should also include an assurance that all fiscal year funding, including any additional funding received as a result of the approved modification, will be obligated by December 31st of the fiscal year in which it is awarded. First In, First Out principles (FIFO) will be followed when expending un-liquidated balances carried over from the previous fiscal year.

Requests for additional funding have different priorities when considered for approval. If the modification is being submitted to support more than one of the situations described in paragraph VI above, the transmittal memorandum must describe how the total amount is allocated to each and indicate how the requested funds are forecast to be expended for each project per quarter. If the modification includes a request to purchase of equipment with a per-unit cost of \$5,000 or more, the memorandum must include a description of and justification for the request.

B. Modified Budget Plan (required) - If the modification is submitted with the annual funding request or before the annual grant award, Section D of the submitted SF 424As will reflect the figures from the annual funding request as the "baseline." If the modification is submitted after the fiscal year grant award, the "baseline" figures will be those found on the most current, approved SF 424As (approved plan or subsequent approved modification). The SF 424As submitted with the modification request will reflect the total amount of funding being requested in Sections A, B, and E (previously awarded or allocated funding plus or minus the amount requested in the modification).

1. **SF 424A (DVOP)** – Complete this form in accordance with the instructions provided in Attachment I. An example is provided as Attachment II.
2. **SF 424A (LVER)** – Complete this form in accordance with the instructions provided in Attachment I. An example is provided as Attachment III.
3. **SF 424** – Complete in accordance with the instructions provided in Attachment I. An example is provided as Attachment IV.

C. If applicable, States should also submit:

1. **Staffing Directory** – An updated Staffing Directory is required only if requesting funding for additional staff or reassignment of staff other than what is listed in the annual funding request or most current approved State Plan. The Directory should show the work locations where DVOP specialists and LVER staff will be assigned including central and sub-state offices. It will distinguish whether each DVOP specialist and LVER staff will be assigned as a full-time or half-time employee.

Since the primary purpose of the Jobs for Veterans State Grant is to fund DVOP specialist and LVER staff that provide services in accordance with the roles and responsibilities described in VPL 07-05, the Staffing Directory will also identify by name, title and location, those staff that are paid through any Special Initiative or by the grant funding to provide functional oversight, regional coordination or other supervisory/ managerial responsibilities. An example of a Staffing Directory is provided as Attachment VI.

2. **TAP Employment Workshop Forecast** – This form, provided as a worksheet in Attachment I, should be submitted only if the modification request is to change the number and/or scope of TAP Employment Workshops listed in the annual funding request or most current approved State Plan. An example of a TAP Employment Workshop Forecast is provided as Attachment VII.
3. **Assurance/Certifications Signature Page** – This form, provided as Attachment V, should be completed, signed and submitted with the modification request only if the agency administering the grant has changed since the most current approved SF 424 for this grant. If submitted, it must be signed by a person identified in the Transmittal Memorandum.

VIII. Actions Required:

- A. DVETs will provide technical assistance to State agencies as needed, particularly when determining the optimal use of DVOP and LVER staff resources, and/or the need to modify an approved State Plan.
- B. States should monitor adherence to the approved Jobs for Veterans State Plan and consult with the DVET when changes are proposed. When advised that a proposed change requires a modification, States should submit requests in accordance with the above instructions. Under normal circumstances, States should allow 14 days for review by the DVET, the Regional Administrator for Veterans' Employment and Training (RAVET), and receipt in the National Office in order to meet the deadlines indicated in this VPL.
- C. States will submit all State Plan modification requests to their respective DVET in hard copy.
- D. After a thorough analysis, DVETs will recommend approval or disapproval of the request. DVETs will forward the original request with their analysis and recommendation to the (RAVET), via Federal Express (FedEx) within 5 working days of receipt.
- E. After a thorough analysis, RAVETs will recommend approval or disapproval of the request and forward it to the National Office within 5 working days of receipt. The request containing the DVET and RAVET analysis and recommendation and complete original submitted by the State will be sent via FedEx to VETS' National Office, Attn: DVOP/LVER Program Lead. As previously indicated in this VPL, modification requests must be received by the National Office DVOP/LVER Program Lead no later than 45 days prior to the end of the quarter which will be affected by the proposal, or by the first Friday of the first full week in August for mid 4th quarter modification requests.

IX. Inquiries: States should refer questions to the appropriate DVET. DVETs or other VETS staff with questions should contact their RAVET. RAVETs may contact the DVOP/LVER Program Lead at the National Office at (202) 693-4709 or the Jobs for Veterans National Lead Center at (312) 353-4942.

X. Expiration Date: Until superseded or rescinded.

XI. Attachments:

- I. SF 424 A (DVOP), SF 424A (LVER), SF 424, Staffing Directory, and TAP Employment Workshop Forecast Electronic Forms with Instructions
- II. SF 424A (DVOP) Example
- III. SF 424A (LVER) Example
- IV. SF 424 Example
- V. Assurances/Certification Signature Page
- VI. Staffing Directory Example
- VII. TAP Employment Workshop Forecast Example