

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION ARRA
	CORRESPONDENCE SYMBOL OFAM/TMG
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TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 01-09, CHANGE 1

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS
STATE WORKFORCE ADMINISTRATORS
STATE AND LOCAL WORKFORCE INVESTMENT BOARDS
ALL DIRECT ETA RECIPIENTS

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: Reporting Requirements under Section 1512 of the American Recovery and Reinvestment Act of 2009

1. Purpose. To provide additional guidance on the reporting requirements included in Section 1512 of the American Recovery and Reinvestment Act of 2009 (Recovery Act) and to provide clarification of selected data requirements.

2. References.

- The American Recovery and Reinvestment Act of 2009, Public Law 111-5
- OMB Implementing Guidance for the Reports on Use of Funds Pursuant to the American Recovery and Reinvestment Act of 2009 (OMB M-09-21), dated June 22, 2009.
- TEGL 17-08, dated April 23, 2009: "American Recovery and Reinvestment Act (Recovery Act) Funds Financial Reporting Requirements"
- Recipient Reporting Data Model, V.3.0 dated August 17, 2009

3. Background. Section 1512 of the Recovery Act requires recipients to report on the use of Recovery Act funding, and provide detailed information, such as: total amount of funds received; the amount spent on projects and activities; a list of those projects and activities funded, including name, description, completion status and estimates of jobs created and retained; and details on subawards and other payments.

The Office of Management and Budget (OMB) issued implementing guidance which provides details on Section 1512 recipient reporting on June 22, 2009 (OMB M-09-21). The Employment and Training Administration (ETA) synthesized this information to provide initial guidance to its grantees, including reporting requirements and data elements and this information was issued as TEGL 01-09.

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Technical questions on the calculations and requirements for the data elements related to jobs created or retained have arisen subsequent to the issuance of TEGL 01-09 and this Change 1 is designed to provide additional clarification of OMB requirements.

4. Clarification of Reporting on Jobs Creation Estimates by Recipients. Prime recipients are required to report an estimate of jobs directly created or retained to administer and implement Recovery Act-funded projects, activities, and contracts (e.g., workforce managers, supervisors, counselors, job coaches, etc.), as required by Section 1512(c)(3)(D) of the Recovery Act. Recipients are required to report an aggregate number for the cumulative jobs created or retained for the quarter in a separate numeric field. Recipients are also required to provide a narrative description of the employment impact.

Prior guidance did not address the reporting requirements associated with the summer youth employment opportunities component funded with ARRA under the Workforce Investment Act (WIA) Youth Program. **Consistent with OMB guidance, summer youth employment opportunities and employment opportunities occurring outside the summer months funded with the Recovery Act WIA Youth funds are to be included in the Jobs Creation Estimates by prime recipients.** For prime recipients, this will include all paid work opportunities funded with the Recovery Act WIA Youth funds and would not include academic opportunities.

The estimate of the number of jobs funded by the Recovery Act must be expressed as “full-time equivalents” (FTE), which is calculated as total hours worked (paid) divided by the number of hours in a full-time schedule, as defined by the recipient. The FTE estimates must be reported cumulatively each calendar quarter. These FTE will primarily be reported in the first quarterly report as the jobs are short-term summer employment. For summer youth employment opportunities, prime recipients must determine the actual hours worked. Possible sources of this information may be payroll records or time distribution records maintained by subrecipients.

As indicated in the OMB guidance, the requirement for reporting jobs is based on a simple calculation used to avoid overstating the number of other than full-time permanent jobs. This calculation converts part-time or temporary jobs into FTE jobs. In order to perform the calculation, the recipient will need the total number of hours worked by quarter that are funded by the Recovery Act. The recipient will also need the number of hours in a full-time schedule for a quarter. The formula for reporting can be represented as:

$$\frac{\text{Cumulative Recovery Act Hours Worked (Qtr1...n)}}{\text{Cumulative Hours in a Fulltime Schedule (Qtr1...n)}} = \text{FTE}$$

Reporting is cumulative across the project lifecycle, and will not reset at the beginning of each calendar or fiscal year. Detailed information about reporting on jobs created is provided in the OMB guidance [OMB M-09-21].

As specified in TEGL 01-09, ETA Recovery Act recipients must include employment (which includes the summer work) in the estimate of jobs created or retained on projects and activities managed by their funding recipients in their aggregate number and their narrative description. This information will be provided for each project and activity funded by the Recovery Act. Prime recipients are required to generate an estimate of job impact by directly collecting specific data from sub-recipients and vendors on the total FTE resulting from a sub-award. Prime

recipients should collect the information from all sub-recipients and vendors in order to generate the most comprehensive and complete job impact data available.

5. Examples. A subrecipient placed 100 youth in summer employment. The youth worked between the period June 15 and August 15, 2009. Based on a review of available documentation, the subrecipient determined that the **total** number of hours worked by the 100 youth over the 8 week period is 16,000 hours. This number is then divided by the standard hours for an FTE of 520 for the quarter (2080 divided by 4) resulting in 30.77 FTE. This calculation is displayed using the OMB formula below:

$$\frac{\text{Cumulative Recovery Act Hours Worked (Q=16,000)}}{\text{Cumulative Hours in a Fulltime Schedule (Q=520)}} = Q \text{ 30.77 FTE}$$

These FTE will primarily be reported in the first quarterly report as the jobs are short-term summer employment. For example, a subrecipient placed 50 older youth in employment that began on July 1 and ends on November 30, 2009. The hours worked from July 1 through September 30, 2009 total 18,000 hours and an additional 11,000 for the quarter ending December 30, 2009. The FTE impact using the OMB formula is displayed below for both quarters:

$$\frac{\text{Cumulative Recovery Act Hours Worked (Q1=18,000)}}{\text{Cumulative Hours in a Fulltime Schedule (Q1=520)}} = Q \text{ 34.62 FTE}$$

$$\frac{\text{Cumulative Recovery Act Hours Worked (Q2=29,000)}}{\text{Cumulative Hours in a Fulltime Schedule (Q2=1040)}} = Q \text{ 27.88 FTE}$$

It is important to remember that reporting is cumulative across the project lifecycle, and will not reset at the beginning of each calendar or fiscal year. The table below shows the FTE calculations through the lifecycle of an 18 month project that uses full-time, part-time, and temporary workers.

Period	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr	4th qtr
Full-Time Schedule	520	1040	1560	2080	2600	3120
Full Time Employee 1	520	1040	1560	2080	2600	3120
Full Time Employee 2	520	1040	1560	2080	2600	3120
Part Time Employee (half time)	260	520	780	1040	1300	1560
Temporary Employee (650 hrs.)	0	0	130	390	650	650
Total Hours Worked	1300	2600	4030	5590	7150	8450
Quarterly FTE	2.5	2.5	2.58	2.69	2.75	2.71

6. Technical Assistance. A series of webinars on Section 1512 recipient reporting was offered by OMB the week of July 20, 2009. The list of OMB webinars is posted on www.Recovery.gov and recordings are available. ETA conducted a webinar on August 17, 2009 and a recording is available at www.workforce3one.org. Additionally, ETA plans to continue to provide technical assistance, training and outreach to recipients. Please check www.doleta.gov for further details.

7. Inquiries. Questions regarding this guidance should be directed to the appropriate regional office.