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| EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210 | CLASSIFICATION SCSEP |
| | CORRESPONDENCE SYMBOL OWI/DAS |
| | DATE June 11, 2007 |

TRAINING AND EMPLOYMENT GUIDANCE LETTER NO 26-06

TO: ALL SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM GRANTEES

FROM: EMILY STOVER DeROCCO /s/
Assistant Secretary

SUBJECT: Planning Instructions and Allotments for Program Year 2007
Conditional Grants for Senior Community Service Employment Program Applicants

1. **Purpose.** To provide all Senior Community Service Employment Program (SCSEP) applicants with instructions and procedures for conditional grants for Program Year (PY) 2007, beginning July 1, 2007.
2. **References.** 2006 Older Americans Act (OAA) Amendments, Pub. L. 109-365 (OAA-2006); 20 CFR Part 641.
3. **Background.** The Department of Labor (the Department) delayed issuance of full PY 2007 SCSEP grant planning instructions contingent on potential action by the Congress on legislation authorizing an increase in the minimum wage. The Congress did authorize that increase on May 24, 2007, and the President signed the measure into law on May 25, 2007. The measure, which goes into effect 60 days after enactment (i.e., July 24, 2007), will raise the minimum wage to \$7.25 an hour from \$5.15 an hour in three stages over the course of

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three years. For PY 2007, the minimum wage will increase to \$5.85 per hour. The Fiscal Year 2007 appropriation for title V of the OAA is \$483,611,000. Authorized positions and funding are provided in Attachment III to this TEGL.

In order to ensure that funds are obligated in a timely manner and to safeguard continuity for participants in the short time period that remains until the beginning of PY 2007, the Department has decided to issue conditional SCSEP grants at this time.

Further, in the interest of expediency, the Department will use the project narrative in the approved PY 2006 grants as the technical proposal for the conditional PY 2007 grants. However, applicants must be aware that the new requirements resulting from the enactment of OAA-2006 become effective July 1, 2007, and that some of these requirements will immediately impact grantee operations at that time. These include the new priorities for participant recruitment and selection; establishment of uniform, documented participant policies about whether or not to provide paid or unpaid sick leave and Federal holiday pay when a grantee or sub-recipient's business is closed; and elimination of any annual leave, bonus or pension benefits. Accordingly, applicants are urged to carefully review the OAA-2006, which is available in its entirety on the Employment and Training Administration's (ETA) Web site at www.doleta.gov/seniors, in order to comply with all program requirements that are effective July 1, 2007.

Subsequent to the issuance of these conditional grants, the Department will issue another TEGL detailing full PY 2007 grant instructions and procedures. This issuance will specifically ask grantees to address all the requirements of OAA-2006 and ETA's new strategic focus on incorporating the Workforce Innovation in Regional Economic Development (WIRED) conceptual framework in full technical proposals to be submitted to the Department.

4. **Requirement.** As indicated in the Background section, the approved PY 2006 project narrative will serve as the technical proposal for the PY 2007 conditional grants. However, applicants must submit a new signed SF-424, as well as a SF-424A budget form and a minimal budget narrative.

In addition, applicants may elect to utilize the option provided at Section 502(c)(6)(C) of OAA-2006 in the conditional application process. This provision permits grantees to request authority to use not less than 65% of program funds for participant wages and fringe benefits, thereby freeing up an additional 10% of funds for training and supportive services. Applicants

interested in pursuing this option must submit a brief description of the additional training and supportive services they plan to provide along with their SF-424, SF-424A, and budget narrative. This description should not exceed two pages in length, and should also be included in the full proposal that is submitted in response to the Department's complete PY 2007 Grant Planning Instructions and Allotments TEGL, once that TEGL is issued later this year.

5. **PY 2007 Program Allotments.** See Attachment III for funding levels and authorized positions.
6. **Submission.** Applicants must submit hard copy budget forms and narrative via overnight delivery. An original and two copies of each budget form and the narrative must be provided.
7. **Schedule.** Applicants must comply with the following timetable:
 - Applicants must submit a hard copy signed SF-424, SF-424A, and budget narrative and, if applicable, description of planned additional training and supportive services via overnight delivery to the ETA Division of Adult Services by June 18, 2007. An original and two copies of each document must be provided. Applicants are encouraged to submit these materials as soon as possible.
 - Applicants should send these documents to:

Ms. Alexandra Kielty
Division of Adult Services
U.S. Department of Labor
Employment and Training Administration
200 Constitution Avenue, NW
Room S-4209
Washington, DC 20210

A hard copy, e-copy, disk or CD of these documents should also be sent to the appropriate regional SCSEP contact as indicated in Attachment IV.

8. **Action Required.** Applicants for PY 2007 SCSEP national and State SCSEP grants must submit these documents by June 18, 2007.
9. **Inquiries.** Questions may be directed to the appropriate regional SCSEP contact.

10. **Attachments.**

- I. Budget Information Instructions
- II. SF-424 and SF-424A
- III. Authorized Positions and Funding
- IV. Regional SCSEP Contacts