

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U. S. Department of Labor Washington, D.C. 20210	CLASSIFICATION UI
	CORRESPONDENCE SYMBOL OWS/DUIO
	DATE April 20, 2009

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER

TO: STATE WORKFORCE AGENCIES

**FROM: DOUGLAS F. SMALL /s/
Deputy Assistant Secretary**

**SUBJECT: Fiscal Year (FY) 2009 Unemployment Insurance (UI)
Reemployment and Eligibility Assessment (REA) Grants**

1. **Purpose.** To invite the submission of proposals from State Workforce Agencies (SWAs) to implement or expand UI REA initiatives; to provide guidelines for developing the proposals; and to provide criteria governing the use of these funds.
2. **References.** Regional Office issuances regarding the REAs for FY 2005 and FY 2006; Unemployment Insurance Program Letter (UIPL) No. 30-06, Fiscal Year (FY) 2007 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants; UIPL No. 25-07, Fiscal Year (FY) 2008 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants; *Federal Register Notice* - Volume 70, Number 163, dated August 24, 2005; ET Handbook No. 401; ET Handbook No. 402; Training and Employment Guidance Letter (TEGL) No. 14-08 Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009; ETA Occasional Paper No. 2004-01 Internet Initial Claims Evaluation - Section V, Reemployment Assistance and Continuing Eligibility; ETA Occasional Paper No. 2002-09 Evaluation of the Significant Improvement Demonstration Grants for the Provision of Reemployment Services for UI Claimants; and ETA Occasional Paper No. 2000-01 Unemployment Insurance in the One-Stop Delivery System.
3. **Background.** The reemployment of UI claimants and the reduction of erroneous payments are high priorities for the UI program. The Department is promoting better integration of UI claims and reemployment services through the REA grants. A number of studies have found that attention to UI beneficiaries' efforts to find new jobs and attention to their reemployment service needs result in shorter claim durations and fewer erroneous payments. The REA initiative was implemented to provide resources to states to focus such attention on UI beneficiaries. A total of 18 states are operating REA initiatives during FY 2009.

RESCISSIONS None	EXPIRATION DATE April 20, 2010
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- 4. FY 2009 Funding.** A total of \$50 million is available in FY 2009 for REAs and similar activities. This significant increase in funding availability gives states with current REA initiatives the opportunity to apply for funds to expand those initiatives to additional areas within the state and to provide assessments to a larger number of beneficiaries. In addition, states that are interested in implementing new REA initiatives have the opportunity to apply for funding.

It is critical that REA initiatives, both continuing and newly implemented, are an integral part of their respective states' strategies for Reemployment Services (RES) grants provided by the Recovery Act. RES funds available under the Recovery Act may be used to upgrade information technology and improve linkage, communication, and data transfer between UI, Wagner-Peyser, and One-Stop Career Center information systems (See TEG-14-08). These funds, in combination with REA funds, offer states a unique opportunity to build the data and communication linkages needed to better target services, eliminate redundant data collection, and improve management information.

Participating states were provided funds at the FY 2008 funding level under the 2009 continuing resolution. These states may now submit proposals to provide REAs to a larger number of beneficiaries. If appropriate, states may provide notification that a lower amount of funding is needed in FY 2009 than was provided in FY 2008. This will not adversely impact future requests. To submit a request for additional funding, states with existing REA initiatives should update their 2008 proposals with the appropriate workload counts and the related costs. States that are not currently participating may submit proposals to implement the REA initiative.

Additional funds for states with an existing REA initiative are to be obligated by March 31, 2010. Funds for states wishing to implement a new REA initiative are to be obligated within one year of the projected date of implementation. The date of implementation is the date that the first REA participant is scheduled to report to a One-Stop Career Center.

- 5. Guidelines.** Funds must be used to assess the continued eligibility and reemployment needs of UI beneficiaries and are not intended to supplant UI grant funds devoted to eligibility reviews. States do not have to implement the REA initiative statewide. Assessments are to be conducted only for UI beneficiaries who do not have a definite return-to-work date.

Providing general information about the labor market, developing a work search plan, assessing an individual's need for reemployment services, and making referrals to reemployment services are all an integral part of the REA effort. They are part of ensuring that claimants are doing what a reasonable person in his or her circumstances should do to find suitable work. However, providing reemployment services such as resume writing or interviewing workshops and job placement activities are not permissible uses of UI grant funds, and these costs should not be included in the state's proposal.

The Department is actively fostering the provision of services to UI claimants through funds for reemployment services available under the American Recovery and Reinvestment Act of 2009. These Reemployment Services (RES) funds provide a unique opportunity to

strengthen partnerships between the One-Stop Career Center and UI claimants which can continue after these funds end. States applying for a new or continuing REA grant should consider how they can integrate REA activities with the RES initiative in their state.

The following guidelines also apply:

- a. UI beneficiaries must be required to report in person to the One-Stop Career Center for staff-assisted services as a part of the REA.
 - b. Assessments must include:
 1. A review of continued eligibility and referral to adjudication, as appropriate, when a potential issue is identified.
 2. The provision of labor market information.
 3. Development or review of a work search plan.
 4. A referral to employment services (e.g. job search assistance workshops or job placement services) or to occupational or skills training, when appropriate.
 - c. A measure of program effectiveness will be derived by comparing outcomes of REA program participants with outcomes from a similar group of claimants who did not participate in the REA program. Therefore, states receiving REA grant funds must agree to develop a methodology for identifying a comparison group. However, the specific methodology to be utilized is not required to be included in the state's REA proposal. If needed, the Department will provide states with technical assistance in developing an appropriate comparison group methodology, to ensure that the comparison group will provide an accurate population for assessing the results of the state's REA initiative.
 - d. The state must submit required REA reports. These reports are the ETA 9128 - Reemployment and Eligibility Assessments Activities report and the ETA 9129 - Reemployment and Eligibility Assessments Outcomes report (OMB Approval No. 1205-0456). These reports capture specific data about the REA program participants and the comparison group. States submitting REA proposals for the first time may request funds to develop these required reports. States that currently operate a REA initiative received the funds for the development of these reports.
 - e. The state must agree to participate in any U.S. Department of Labor (DOL) funded studies of the effectiveness of this UI REA initiative. Results may be used to prepare a report to Congress.
6. **Proposal Format and Instructions.** The format and instructions for preparing the UI REA grant proposals are provided in the following attachments. Attachment A provides the guidance for states that have not received a REA grant. Attachment B is the Cover Sheet and is required for all proposals. All pages in the state's proposal should be numbered.

Each proposal should contain the name and telephone number of the person who is to be notified of approval of the grant. In most instances, this individual will be the state

administrator. Proposals should also include the name, telephone number and e-mail address of the individual who can respond to questions about the proposal.

Completed Standard Form (SF) 424 (Revised 10-2005), and SF 424A must be submitted for all REA grants within 10 days of the notification of the grant award. The SF 424A requires a breakout of object class categories in item 6 of Section B - Budget Categories. The breakouts must match the proposed expenditures.

7. **UI REA Grant Scoring Criteria.** The REA scoring criteria are explained in Attachment A and apply to states that have not previously participated in the REA initiative. The highest scoring proposal will be funded first followed in sequence by those with lower scores until all available funds are exhausted. States must follow the proposal outline. Each element of the proposal is important and should be addressed completely. Proposals should explain how the proposed program will work and include complete names and titles rather than acronyms and form numbers. Proposals scoring fewer than 80 points will not be funded.
8. **Supplemental Budget Request (SBR) Procedures.** States are encouraged to work with Regional Office staff while they are developing their proposals. States should ensure that:
 - a. The UI REA project design meets the needs of UI beneficiaries;
 - b. UI and One-Stop Career Center staff work cooperatively in planning, developing, testing, and implementing this project;
 - c. The proposed expenditures are appropriate; and
 - d. The state can provide data for the required reports.
9. **Timelines.**
 - a. States must submit proposals to the National Office by May 8, 2009.
 - b. Award notifications will be issued by May 29, 2009.
 - c. States must submit an SF 424 and an SF 424A within 10 days of the award notification.
10. **Action Requested.** State Administrators are requested to:
 - a. Provide information contained in this UIPL to appropriate staff.
 - b. Send, via e-mail, an electronic copy of the proposal and the UI REA Cover Sheet to ows.sbr@dol.gov no later than May 8, 2009.
 - c. Upon notification of the grant award, states must submit an SF 424, and SF 424A at the appropriate level of funding signed by the state administrator.
11. **Inquiries.** Direct questions to Diane Wood at 202-693-3212, or to wood.diane@dol.gov.
12. **Attachments.**
 - A. UI REA Proposal Outline for First Year REA Grants
 - B. Unemployment Insurance Reemployment and Eligibility Assessment Cover Sheet