

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U. S. Department of Labor Washington, D.C. 20210	CLASSIFICATION UI
	CORRESPONDENCE SYMBOL OWS/DUIO
	DATE July 13, 2007

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER 25-07

TO: STATE WORKFORCE AGENCIES

**FROM: EMILY STOVER DeROCCO /s/
Assistant Secretary**

**SUBJECT: Fiscal Year (FY) 2008 Unemployment Insurance (UI)
Reemployment and Eligibility Assessments (REA) Grants**

1. **Purpose.** To invite proposals from State Workforce Agencies for funding to continue or to implement UI REA initiatives; and to provide guidelines for developing the proposals and the criteria governing the use of these funds.
2. **References.** Regional Office issuances regarding the Reemployment and Eligibility Assessments 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; *Federal Register Notice* - Volume 70, Number 163, dated August 24, 2005; ET Handbook 401; www.doleta.gov/wired; ETA Occasional Paper No. 2004-01, Internet Initial Claims Evaluation - Section V, Reemployment Assistance and Continuing Eligibility; ETA Occasional Paper No. 2002-09, Significant Improvement 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.** Reemployment of UI claimants and minimizing erroneous payments are high priorities for the UI program. 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 19 states operated REA initiatives during FY 2007.

The Department is actively fostering the Workforce Innovation in Regional Economic Development (WIRED) initiative, which stresses the critical role talent development plays in creating effective regional economic development strategies and is designed to expand employment and advancement opportunities for workers while simultaneously catalyzing the creation of high-skill, high-wage jobs. States applying for a continuing or new REA grant should consider how they may integrate REA activities with the WIRED initiative in their states.

RESCISSIONS None	EXPIRATION DATE July 13, 2008
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4. **FY 2008 Funding.** Funding for the REA initiative was requested in the President's Budget for FY 2008. Based on the amount of funds anticipated, up to 34 additional states may be funded and/or existing REA programs could be expanded in states currently participating in this initiative. All states may submit proposals to implement or continue REA initiatives.

The final appropriation will determine the number of states funded and the level of funding. States currently operating an REA initiative may submit proposals to continue at their same funding level or develop a proposal to expand their initiatives to a larger number of beneficiaries. Funds will be awarded in the following order until all available funds have been awarded:

- a. States continuing at their current funding level
- b. New states competing for funding to implement an REA initiative at the level of 10,000
- c. States expanding their current REA initiative
- d. New states proposing to implement an REA initiative at a level greater than 10,000 REAs (see Attachment A)

States that are requesting continued funding at FY 2007 funding levels need only to submit information concerning proposed expenditures for the REA initiative along with a completed REA Cover Sheet (see Attachments B and C) and standard budget documents (see number 6 below). If the state anticipates making changes to its FY 2007 REA initiative, a description of the proposed changes must be submitted with the state's request for funding. As indicated above, if a state wishes to submit a proposal to expand its REA initiative, the portion of funds required to expand the state's REA program will be considered if sufficient FY 2008 funds are available.

5. **Guidelines.** Funds must be used to determine the continuing 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, and 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 a part of the UI program's responsibilities for assuring that claimants are doing what a reasonable person in his or her circumstances should do to find suitable work, and are an integral part of the REA effort. However, providing reemployment services such as resume writing or interviewing workshops and job finding/placement activities are not permissible uses of UI grant funds, and these costs should not be included in the proposal.

The following guidelines also apply:

- a. REAs must be staff-assisted and conducted in-person at One-Stop Career Centers. UI beneficiaries must be required to report in-person to the One-Stop Career Center within a specified period of time as a part of the assessment.
- 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. A work-search plan development or review.
 4. A referral to employment services (e.g. job search assistance workshops or job placement services) or to skill or occupational training, when appropriate.
- c. A measure of program effectiveness will be derived by comparing outcomes for REA program participants with outcomes for 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. DOL will provide states with technical assistance in developing an appropriate comparison group methodology, if needed, to ensure that the comparison group will provide an accurate population for assessing the results of the state's REA initiative against the comparison group.
 - 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. 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 already received the one-time funds for the development of these reports. The ETA 9128 and ETA 9129 were approved by the Office of Management and Budget under Paperwork Reduction Project No. 1205-0456, which expires on March 31, 2009.
 - 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 provides the guidance for states that have previously received a REA grant. Attachment C is the Cover Sheet and is required for all requests/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, for example, expenditures for the number of REA interviews to be funded.

7. **UI REA Grant Scoring Criteria.** The REA scoring criteria are explained in Attachment A and apply to those 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 less 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 will work cooperatively in planning, developing, testing, and implementing this project;
 - c. The proposed expenditures are appropriate; and
 - d. The state can provide the required reports data.

9. **Time Lines.**
 - a. States must submit proposals to the National Office by September 8, 2007.
 - b. Award notifications will be made prior to December 1, 2007, or within 20 days after enactment of the FY 2008 appropriations for state UI operations.
 - c. States must submit an SF 424, and SF 424A within 10 days of the award notification.
 - d. Grant awards will be made with the final allocation of selected states' FY 2008 budget, if the appropriation includes such funds.
 - e. The deadline for obligation of all REA grant funds not designated for automation acquisition is December 31, 2008, and the deadline for liquidation/expenditure is 90 days later. The deadline for all funds that are designated for automation acquisition is September 30, 2010, and the deadline for liquidation/expenditure is 90 days later.

10. **Action Required.** State Administrators are requested to:
 - a. Provide information contained in this Unemployment Insurance Program Letter 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 September 8, 2007.
 - 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 wood.diane@dol.gov.

12. **Attachments.**
 - A. UI REA Proposal Outline for First Year REA Grants
 - B. UI REA Proposal Outline for Subsequent Year REA Grants
 - C. Unemployment Insurance Reemployment and Eligibility Assessments Cover Sheet