

Employment and Training Administration Advisory System U.S. Department of Labor Washington, D.C. 20210	CLASSIFICATION UI
	CORRESPONDENCE SYMBOL DUIO/SBR
	DATE August 21, 2009

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER No. 31-09
Change 1

TO: STATE WORKFORCE AGENCIES

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: Unemployment Insurance (UI) Supplemental Funding Opportunity for Automated Integrity Related Systems: Including Systems to Improve Services and/or Performance

1. Purpose. To notify state workforce agencies of the availability of Fiscal Year (FY) 2009 UI funds for automation acquisitions that will allow states to implement technological improvements to better serve UI beneficiaries and employers, to accommodate large fluctuations in UI workloads, and/or to improve program integrity and/or performance.
2. References. Unemployment Insurance Program Letter (UIPL) No. 31 – 09; ET Handbook No. 336, 18th Edition, State Quality Service Plans Planning and Reporting Guidelines.
3. Background. UIPL 31 – 09 notified states that FY 2009 funds are available for technology based overpayment prevention, detection, and collections investments to support payment integrity activities. This Change 1 amplifies that supplemental funding opportunity to include projects targeted to improving certain services to UI beneficiaries and employers and to improving overall system performance.
4. Use of Funds. Use of these one-time funds should be geared toward investments that will provide future returns. In addition to the activities described in UIPL 31-09, states may propose IT projects that are directly related to the activities below:
 - Planning for modernization of UI benefits and tax information technology systems.

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- Updating call center and interactive voice response system technology and expanding capacity to reduce busy signals/wait times and improve service quality.
- Implementing or improving electronic processes to speed benefit payments and tax collections (e.g., Internet services for UI benefits and tax services including UI appeals).
- Educating UI beneficiaries who receive benefit payments via debit card of associated fees and how to avoid these fees. An example of this activity includes development of automated functions to generate appropriate letters and messages to claimants concerning debit card fees.

Examples of some of the activities for which funds are to be provided are described more fully in Attachment B to this UIPL. States may also submit other automation projects not described in the examples.

5. Application, Award, and Expenditure of Supplemental Funds. States may submit individual proposals for one or more of the purposes described above in one SBR package. Each proposal will be considered a section of the state's SBR, and each proposal will be evaluated individually. In some instances, identical expenditures may be proposed in two separate projects, but only need to be funded in one of the projects. In such instances, the state should provide a brief explanation of the duplication to ensure that the same cost(s) is not funded twice.

The Supplemental Budget Request Outline (Attachment A) will be used to evaluate the proposal. Each element should be addressed succinctly providing the specific information requested. Due to the tight timeframe for developing and submitting SBRs, states are asked to provide only the information requested. Information such as an introductory narrative is not necessary and does not add to the SBR score. Proposals that do not meet a minimum standard score of 80 points will not be funded.

Some projects have a cap on the amount of funds that will be provided and others do not. Proposed expenditures should be described to explain and justify all requests. Proposals for maintenance and support of the projects described in Section 4 of Attachment B require no description(s); only information in items number 1 through 3 of Attachment A are needed for the SBR.

After projects have been approved, an award letter will be issued to states listing all projects to be funded, the funding level of each, and the total funding level for the state. States must submit one SF-424 (OMB No. 4040-0004) and one SF-424A (OMB No. 4040-006) covering all of the approved projects.

States must obligate the funds by September 30, 2011, and liquidate the obligations within 90 days of that date. Upon written request from the state, no later than August 31, 2011, the grant officer may extend the liquidation period only if the funds have been obligated to an outside contractor. An extension can

not be granted if the funds are intended for use by State Workforce Agency staff or by another state agency (see 29 CFR § 97.3).

During the life of the project expenditures should be reported on the U. S. DOL ETA Fiscal Report (ETA 9130) in the remarks section. By applying for these individual projects, the state is agreeing that the projects will be completed with no additional Federal funding.

6. Project Management. If during the performance period states wish to move funds among categories within a project and the amount moved exceeds 20 percent of any category in the initially awarded amount for the project, a new SF-424A must be submitted to the Regional Office. These documents are then forwarded by the Regional Office for approval by the Grants Officer. The same requirement for approval applies to movement of funds between projects if the amount moved exceeds 20 percent of either the “donating” or “receiving” project as initially funded. States should consult with the Regional Office to determine the appropriate procedures for modifications of 20% or less.

In addition states wishing to transfer funds in excess of \$30,000 between projects must request approval by the Regional Office even if this transfer does not affect the reported categories on the SF-424A. States may not elect to abandon a single project that has been funded and move the funds to a different project that has also been funded. If an approved project is not undertaken by the state, the funds for that project must be returned to the Department.

7. OMB Approval. This Change 1 to UIPL 31-09 will be submitted (as an addendum to UIPL No. 31 – 09) to the Office of Management and Budget (OMB). ETA will notify states upon OMB approval and communicate any changes deemed necessary during the OMB approval process.
8. Action Requested. State Administrators are asked to:
 - (a) Inform appropriate staff of this funding opportunity.
 - (b) Determine activities for which the submission of SBRs would be appropriate.
 - (c) Work with the Regional Office, as appropriate, to utilize their knowledge and technical expertise.
 - (d) Submit SBRs to the National Office at OWS.SBR@dol.gov, by September 2, 2009, with a copy to the Regional Office. An e-mail response will be sent within 24 hours from the OWS SBR mailbox acknowledging receipt of the electronic document.
9. Inquiries. Inquiries should be directed to the appropriate Regional Office.

10. Attachments.

- A. Supplemental Budget Request Outline
- B. Project Descriptions
 - 1. Feasibility Studies – Modernization Planning for UI Benefits and/or UI Tax Systems
 - 2. Enhanced Call Center and/or Interactive Voice Response System Technology
 - 3. UI Appeals – Conversion from Tape to Digital Recordings of Appeal Hearings
 - 4. Maintenance and Support Costs for UI Automated Systems
 - a. SUTA Dumping Detection System (SDDS)
 - b. AutoCoder/OccuCoder™
 - c. State Information Data Exchange System (SIDES)
 - 5. UI Data Validation for Benefits
 - 6. UI Data Validation for Tax
 - 7. Smart Schedulers and Related Automation for Appeals
 - 8. State Information Data Exchange System (SIDES)
 - a. New Implementation
 - b. SIDES Employer Website (SEW) Enhancement for Current Consortia States
 - 9. AutoCoder Integration
 - 10. Educating UI Beneficiaries about Debit Card Fees and How to Avoid These Fees
 - 11. Programming to Include Entire Name in UI Wage Records