

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Unemployment Insurance
	CORRESPONDENCE SYMBOL OUI /DFAS
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ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER No. 15-16

TO: STATE WORKFORCE AGENCIES

FROM: PORTIA WU /s/
Assistant Secretary

SUBJECT: Office of Management and Budget (OMB) Approval of Changes to Employment and Training (ET) Handbook 410, 5th Edition, Resource Justification Model (RJM)

1. **Purpose.** To announce that OMB has approved (under the same OMB approval number provided below) of the extension, with changes, of RJM data information collection, and to provide State Workforce Agencies (SWAs) with a revised version of ET Handbook 410, 5th edition, RJM.
2. **References.** Federal Register Notice: 80 FR 11230, dated March 2, 2015; ET Handbook 410, 5th edition, RJM.
3. **Background.** The RJM is a data collection instrument which states use to report their Unemployment Insurance (UI) administrative expenditures and staffing hours utilized for the most recently completed fiscal year and extrapolate that information to project administrative expenses for the upcoming year. The RJM is comprised of two Excel workbooks which assist states in compiling information needed for the model. ET Handbook No. 410, 5th edition, provides instructions as to how SWA staff should prepare the RJM workbooks.

In March 2014, the Office of Unemployment Insurance partnered with the National Association of State Workforce Agencies to form a RJM Workgroup focused on reviewing and improving the RJM data collection. The workgroup recognized that an increasing use of technology has significantly changed the way that the UI program operates and recommended altering the RJM collection to capture data on information technology (IT) expenditures.

In response to this recommendation, the RJM data collection instrument has been modified to require reporting of IT expenditures. Reporting of Non Personnel Services (NPS) has been condensed from ten categories to four, and the RJM Crosswalk worksheet used for the reporting of personal service (PS) and personnel benefit (PB) expenditures and hours will allow users to identify such line items as IT under the function to which they are charged. Note: these costs were included in the previously submitted reports, but they were not

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isolated as IT costs. These different categories should not reflect additional expenditures; they should only breakout the information differently.

4. **OMB Approval.** On March 3, 2016, OMB approved the revised data collection described in ET Handbook No. 410, 5th edition, in accordance with the Paperwork Reduction Act of 1995, through March 31, 2019 (OMB approval number 1205-0430). The Department estimates that the changes made to the data collection will reduce the reporting burden by 715 hours per respondent.
5. **ET Handbook 410, 5th Edition.** Below is a more detailed summary of changes recommended by the RJM Workgroup and incorporated into the ET Handbook 410, 5th edition:

- **RJM Notebook is no longer required for submission**
 - SWAs are no longer required to submit hardcopy notebooks containing supporting documentation for their reports. However, such supporting documentation must be maintained at the state level and must be made available to regional or national office staff should questions arise.
- **Appendix K – Worksheet Templates**
 - **Crosswalk Workbook**
 - NPS Worksheet. The revision requires states to report NPS expenditures in one of four categories: IT-Communications, Non-IT, Personal Service Contracts, and Non-RJM
 - PS/PB IT Worksheet. This is a new worksheet intended to capture IT expenditures and hours for PS/PB. No user input is required for this worksheet. Rather, additional categories have been added to the dropdown menu in the PS/PB Worksheet which allow users to designate PS/PB costs as IT in the function to which they were charged, and this information will automatically populate the PS/PB IT Worksheet.
 - **Main Workbook**
 - RJM 2 Worksheet (Base NPS by Category). This worksheet has been revised to import the revised NPS categories reported on the NPS Crosswalk worksheet.
- **Appendix E – NPS Categories:** A non-inclusive list of NPS items/activities is included for the IT/Communications, Non-IT and PS Contracts functions.

Specific instructions to the worksheets are listed in Appendix A. In addition to the changes summarized above, editorial changes were made to other chapters of the Handbook to provide clarity to existing instructions.

6. **RJM Excel Files.** Revised Excel workbooks needed to complete the RJM submissions will be available by August 2016 at www.ows.doleta.gov/rjm. These files are comprised of: the Main Workbook and the revised Crosswalk Workbook.

7. **Effective Date.** The contents of the ET Handbook 410, 5th edition are effective with the preparation of the Budget Year 2018 RJM submission, due January 27, 2017.
8. **Technical Assistance.** The Department will host a webinar to demonstrate the changes to the Excel worksheets in September 2016.
9. **Action Required.** State Administrators are requested to provide the above information to appropriate staff.
10. **Inquiries.** Direct all inquiries to the appropriate ETA regional office.
11. **Attachment.** ET Handbook 410, 5th edition, Resource Justification Model.