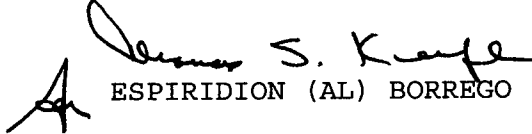




July 7, 2000

VETERANS' PROGRAM LETTER NO. 09-00

TO: REGIONAL ADMINISTRATORS AND DIRECTORS FOR VETERANS'
EMPLOYMENT AND TRAINING
STATE EMPLOYMENT SECURITY AGENCY ADMINISTRATORS
REGIONAL ADMINISTRATORS, EMPLOYMENT AND TRAINING
ADMINISTRATION (INFORMATION)

FROM:  ESPIRIDION (AL) BORREGO

SUBJECT: Planning Considerations for the Conduct of Fiscal Year
2001-2005 Disabled Veterans' Outreach Program (DVOP) and
Local Veterans' Employment Representative (LVER)
Program Administration and the Fiscal Year (FY) 2001
DVOP/LVER Solicitation for Grant Applications (SGA).

I. PURPOSE: To inform the administrative entity that operates Workforce Investment Act (WIA) One-Stop delivery systems/Labor Exchange Delivery System (LEDS) for the State/Governor under Section 903 of the Social Security Act and the Wagner-Peyser Act (29 U.S.C. 49 et seq.), as amended, that the Assistant Secretary for Veterans' Employment and Training (ASVET) is transmitting the SGA for Disabled Veterans' Outreach Program (DVOP) and Local Veterans' Employment Representative (LVER) program funds for FY 2001, which may be modified annually through FY 2005.

II. REFERENCES AND RESCISSIONS This Veterans' Program Letter (VPL) supersedes VPL 10-97, dated June 17, 1997.

III. DISTRIBUTION: A copy of the official FY 2001 SGA, dated July 7, 2000 and enclosures will be available either electronically or on diskette from the Director for Veterans' Employment and Training (DVET) in your respective State or it can be downloaded via the Internet through the Department of Labor - Veterans' Employment and Training Service (VETS) Internet Website address, at

<http://www.dol.gov/dol/vets/public/grants/grants/main.htm>

IV. BACKGROUND: The current DVOP/LVER multi-year grant period expires September 30, 2000. This SGA is for FY 2001-2005, beginning October 1, 2000, and contains some changes from previous years in the SGA document and special grant provisions. The forms for States to complete and the application procedure for funds remain virtually unchanged since the FY 1998-2000 SGA.

A draft SGA was developed as a result of discussions, recommendations, and collaboration from a workgroup of "SGA Partners" comprised of VETS and Interstate Conference of Employment Security Agencies, Inc. (ICESA) State representatives. The "SGA Partners" met in April and September of 1999. They suggested approximately 125 programmatic changes or enhancements. Three workgroups developed twenty-five position papers, 10 of which were submitted as decision papers to the ASVET, who signed off on all 10 suggestions in March following completion of VETS' five year Strategic Planning developmental process. Some of the "SGA Partners" recommendations could not be considered because of conflicts with the current statutory language in Chapters 41 or 42 of Title 38, United States Code, or because in VETS' best judgement the recommendations violated other laws, such as the Financial Managers' Integrity Act, the Appropriations Act or Grant Officer policies and USDOL practices. The draft SGA was cleared through VETS' Regional Administrators and distributed electronically with a draft VPL explaining changes on March 31, 2000 for comment by close of business April 14, 2000.

A total of 58 respondents provided 725 separate comments for ASVET consideration. Each comment that was consistent with statutory, regulatory language, and USDOL policy was considered in this SGA rewrite. Some of the draft SGA language that could not be clearly derived from legislation or was either in conflict or superfluous, was deleted. Language was added where it appeared to be necessary to provide clarification. As a result, the final SGA and special grant provisions are more detailed and descriptive than the draft dated March 31.

The glossary was revised for certain terms and the grant review checklist was amended to conform to the revised SGA language wherever necessary. The checklist will be provided to the DVETS and may be shared with the States to assist them in the preparation of their submissions. All previously approved waivers and agreements expire on September 30, 2000.

Although no longer discussed in the SGA, VETS reserves the right to consider capping administrative costs nationally. The decision will be based upon a review of actual usage during the multi-year grant period. The process employed will be described in a VPL, and will not occur without negotiations with individuals representing the designated State administrative entities.

V. CHANGES: The following policies, forms, and instructions represent a majority of the changes since the issuance of the FY 1998-2000 DVOP/LVER SGA or are in response to comments received on the April 2000 draft SGA.

- Section II., The target groups for the delivery of services by DVOP and LVER staff now include, but are not limited to, populations identified in WIA (section 168) of 1998 as veterans with service-connected disabilities, wartime or campaign badge and/or expeditionary medal recipients, or veterans who have significant barriers to employment. Maximum emphasis will still be expected on serving those among these target populations who are educationally or economically disadvantaged as defined locally in each labor market. This change is addressed in Section II of the SGA, Background. This change is also mentioned in the Special Provisions, Section II, Scope, A. Program Requirements for DVOP and in B. for LVER.
- Section II, VETS has completed a Strategic Plan for the next five-year period. In this plan, strategic goals are tied to VETS' mission and each year's performance plan and annual improvement rates are compatible with Workforce Investment Act (WIA) reported outcomes (entered employment, job retention, etc.) and are compliant with the Government Performance and Results Act (GPRA) of 1994. New measures of performance will be negotiated with input from State agency representatives. The measures will be beta tested in several States and resultant standards will be published for comment prior to implementation. Programming costs will likely be borne by the grant or through VETS.
- VETS will be meeting with a VETS/ICESA workgroup to develop a new set of prototypes for individual DVOP and LVER performance standards. The set of measures will be provided in draft form for comments and issued following consideration of comments submitted by appropriate State representatives. In addition, a workgroup to design a process for implementing a set of incentives and sanctions based upon Statewide performance will convene during FY 2001.
- Section III, Applications for funds under this solicitation will be accepted only from the designated administrative entities that operate WIA/Job Service for the State/Governor under Section 903 of the Social Security Act and the Wagner-Peyser Act, (29 U.S.C. 49 et seq.), as amended.
- Section IV., To apply for Fiscal Year (FY) 2001 DVOP/LVER funds, the applicant must submit a grant application by August 7, 2000, to their respective DVET assigned to the State, electronically or on diskette

(with a signed transmittal letter, signed SF 424 and signed certification signature page). Where electronic means are unavailable, applicants must submit two copies (signed original and one copy) of all required forms identified in the SGA.

- Section IV. C., Each State's position level for DVOP (38 U.S.C. 4103A) is now calculated based upon the formula of one DVOP specialist for every 7,400 working age veterans (between the ages of 20 and 64) residing in the State (see VPL 2-99, dated December 18, 1998).
- Section IV. C., State Allocation Request (SAR) and State Fiscal Operating Plan (SFOP) worksheet, address the requirement that each State Plan for FY 2001 funding identify a Personal Services plus Personnel Benefits (PS+PB) to total fund ratio equal to or greater than the approved 3-year average (FY 1997 through FY 1999) calculated by VETS for that State. A narrative explanation/justification must be provided for any request for a lower PS+PB to total funds ratio (a -2% or more deviation). NOTE: This is not a fixed percentage, nor will a "rolling average" be used to control overhead spending. The ratio approved in the FY 2001 award letter from the Grant Officer will apply to FY 2001 funds, and serve as the baseline for determining the FY 2002 approved PS+PB to total fund ratio. These rates will be reviewed and adjusted annually, thereafter.
- Section IV, D, The DVET must recommend approval of all planned equipment purchases. To be considered for approval, the minimum PS+PB to total fund ratio (to be reflected on the approved SFOP) must be maintained. A plan to assure that staff will be trained on the use of new equipment or new computer applications should accompany requests for funds for equipment. The actual training or program travel need not be reported. Any planned changes/acquisitions that would cause the PS+PB to total fund ratio to deviate by -2% or more must have prior approval from the Regional Administrator for Veterans' Employment and Training (RAVET). If additional funding is requested or any unit cost exceeds \$5000, Grant Officer approval will also be required.
- Section V, A, States will be required to provide program activity, fiscal, and performance reports. States will be held accountable for compliance with any current or proposed standards of performance developed in the coming Program Year (PY) by a VETS/SESA workgroup, published for comment, and issued during the grant period in a VPL on this subject. It is recognized that States' Management Information Systems (MIS) staff and systems may be in a "state of flux" during initial WIA implementation. Any new standards of performance will be compliant with current legislative requirements and consistent with

agency mission and strategic goals. They will also be formulated to be GPRA compliant, compatible with ETA-developed measures under the WIA, and will be proposed only after consultation with ETA and representatives from States.

- Section VI, E, LVER staff provide the functional oversight of services to veterans in all Service Delivery Points (SDPs), including those in receipt of Section 168 WIA and Wagner-Peyser funds.
- Section VII, VETS' Priorities and Specialized Initiatives. Prominent among these are special or ongoing programs or initiatives described in VPLs, including TAP for separating military. These include; the Disabled Veterans' Transition Assistance Program (DTAP); licensing and certification facilitation for transitioning service members; WIA/One-Stop Career Center System integration; Section 168 of WIA (Veterans' Workforce Investment Programs); and the case management approach to the delivery of client-centered services for individuals with barriers to employment or who are otherwise disadvantaged in local labor markets.
- Section VII, ETA 9002 and VETS 200 Reports. The Office of Management and Budget (OMB) is currently considering a 24-month extension for the ETA and VETS reports through June 30, 2002. The Column on the ETA 9002 and VETS 200 reports labeled SMOCTA (Service Members' Occupational Conversion through Training Act) will be replaced by a column to capture service information provided to wartime veterans and recipients of campaign badges or expeditionary medals.
- Section VII, Public Labor Exchange Delivery System. Veterans must have served at least 180 days on active duty or be service-connected disabled veterans, be current or former VA vocational rehabilitation clients, Federally-activated reservists or National Guard members or spouses who meet the definition of other eligible persons to be served by DVOP or LVER staff. Individuals who served less than 180 days and received an other than dishonorable discharge may be served as a veteran under WIA Title I, but should not be provided priority of services or be entered into the ETA 9002 reporting system as a veteran.
- Section VII, Case Management. Case management is expected to be used as a tool to facilitate greater numbers of target group veterans entering and retaining employment. Although the quality and time-intensive nature of a case management approach is stressed, it is not to be considered a valid reason for any marked decline in positive outcomes (e.g., veterans and other eligible persons who entered employment). The guidelines for tracking and reporting of veterans

SGA. States should also include any comments on the draft Special and General Provisions with the application. Comments on the draft provisions will not be accepted after September 1, 2000.

E. DVETs will review the State's application using the grant review checklist provided under separate cover. The checklist may be shared with the State by the DVETs immediately upon receipt.

F. By August 11, 2000, DVETs are to forward via overnight mail the grant application and the completed grant review checklist with their recommendations to the RAVET and the Chicago Regional Lead Center (RLC).

G. RAVETs will review the grant applications and forward their comments and approval/disapproval of any waivers requested by the States to the Chicago RLC on, or before, August 17, 2000.

VIII. INQUIRIES: State questions should be referred to their DVET. VETS staff will contact their DLEC member and/or their RAVETs for further information or clarifications. RAVETs may contact Miguel Hernandez in the National Office at (202) 693-4708 or Joel H. Delofsky in the Chicago RLC at (312) 353-4942 with any questions.

IX. EXPIRATION DATE: September 30, 2000.

X. ENCLOSURES: SGA, SGA ENCLOSURES I.- VIII.