

<b>U. S. Department of Labor</b> Employment and Training Administration Washington, D.C. 20210	<b>CLASSIFICATION</b> WtW
	CORRESPONDENCE SYMBOL <b>OAS</b>
	<b>DATE</b> March 8, 2001

**TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 15-00**

**TO :** STATE WELFARE-TO-WORK CONTACTS  
STATE WORKFORCE LIAISONS

for  
**FROM:** LENITA JACOBS-SIMMONS *Handy McConnell*  
Deputy Assistant Secretary

**SUBJECT:** Guidance and Instructions for Requesting an Extension and Related Revisions to Welfare-to-Work Formula and Competitive Grants and Welfare-to-Work Formula State Plans

1. **Purpose.** To provide guidance to Welfare-to-Work (WtW) Formula and Competitive grantees on the provision of the Department of Labor Appropriations Act, 2001, which allows for a voluntary extension of up to five years from the date of award for all WtW grants. It also provides guidance on several other related issues.

2. **Authorities and References.**

- a. Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Pub. L.104-193); Balanced Budget Act of 1997 (Pub. L. 105-33) amending Title IV-A of the Social Security Act.
- b. Welfare-to-Work and Child Support Amendments of 1999 (1999 Amendments) (introduced as Title VIII of H.R. 3424 and enacted as part of the Consolidated Appropriations Act for FY 2000 (Pub. L. 106-113)).
- c. Department of Labor Appropriations Act, 2001 (Pub. L. 106-554).
- d. WtW Regulations, 20 CFR Part 645, Final/Interim Final Rule published at 66 Fed. Reg. 2690 (January 11, 2001), effective date April 13, 2001.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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- e. WtW Planning Guidance and Instructions for Submission of Annual State Plans, Fiscal Year 1999 WtW Formula Grants (Training and Employment Guidance Letter (TEGL) 3-98), published July 30, 1998.
- f. WtW Competitive Grants; Notice of Availability of Funds; Solicitation for Grant Applications, 62 Fed. Reg. 67902 (December 30, 1997); 63 Fed. Reg. 18445 (April 15, 1998); and 64 Fed. Reg. 4009 (January 26, 1999).
- g. Use of America's Workforce Network (AWN) Logo (Training and Employment Information Notice No. 7-00), published October 26, 2000.
- h. WtW/Workforce Investment Act (WIA) Questions and Answers, Question #6 (concerns the revision of WtW State Plan to reflect a change in geographic configuration -- see <http://wtw.doleta.gov/q&a/wiaquestions.asp>).

3. **Background.** The WtW Program, authorized by Congress under the Balanced Budget Act of 1997, facilitates the placement of hard-to-employ welfare recipients and certain noncustodial parents into transitional employment opportunities which will lead to lasting unsubsidized employment and self-sufficiency. The 1999 Amendments removed the requirement that long-term Temporary Assistance for Needy Families (TANF) recipients meet additional barriers to employment in order to be eligible for WtW, and provided for other changes to the WtW Program.

The Department of Labor Appropriations Act, 2001, signed into law on December 21, 2000 as part of the Consolidated Appropriations Act of 2001, includes, along with the Department of Labor's Fiscal Year (FY) 2001 appropriations, the authority to extend the period in which funds can be spent in the WtW grants program. Under this authority, all WtW grantees, both competitive and formula, are eligible to extend the period of performance of their grants up to five years from the date of grant award.

As amended, section 403(a)(5)(C)(viii) now reads as follows:

DEADLINE FOR EXPENDITURE -- Any entity to which funds are provided under this paragraph shall remit to the Secretary of Labor any part of the funds that are not expended within 5 years after the date the funds are so provided.

The guidance in this TEGL is intended to provide instructions on how to implement this amendment. States choosing to extend their grant period will also have up to two more years to meet their matching fund commitments. This guidance has two main sections:

- ! Grant and State Plan modification instructions applicable to WtW Formula Grantees (FY 98 and FY 99), including the new modification language regarding AWN; and

! Grant Modification instructions applicable to WtW Competitive Grantees (all rounds of competition).

4. **Information for WtW Formula Grantees.** The following is an overview of information about modifications of WtW formula grants. Please refer to Attachment I (Grant and State Plan Modification Instructions for WtW Formula Grantees).

FY 98 and/or FY 99 WtW formula grantees may submit a grant and State Plan modification request for an extension of the expiration date (as a result of the Department of Labor Appropriations Act, 2001) and must submit a modification to the State Plan to reflect any geographic changes in local areas (as a result of the designation of local areas under WIA) and/or revision of definitions as follows:

- a. **Extension of the Grant Period.** A State's WtW Formula Grant can be modified to extend the expiration date for up to 24 months if the State wishes to have additional time to complete its grant activities. Formula grants were originally awarded for a period of three years. The provision in the Department of Labor Appropriations Act, 2001, would allow an additional two years, not to exceed five years from date of award. States may elect to extend one FY's grant or both. A letter requesting such modification(s) must be submitted to the Grant Officer. The duration of the extension requested should reflect an analysis of grant performance to date as well as the availability of existing funds to operate the grant during the requested extended period. The request for an extension of the grant period must incorporate a new grant termination date. Any extension of the grant period would also allow for additional time for the expenditure and reconciliation of the State WtW formula grantee's match requirements.
- b. **Change in Geographic Configuration of Local Areas.** Whether or not a State chooses to request an extension, the State must request a modification of its State Plan if, due to the implementation of WIA, the geographic configurations of local areas and WtW formula allocations are different than the geographic configuration of service delivery areas (SDAs) and WtW formula allocations provided by the State in the approved FY 98 and/or FY 99 WtW plan. The modification must identify the affected Local Workforce Investment Areas and the adjusted amount of WtW funds allocated to those areas.
- c. **Revision of State Plan Performance and Expenditure Goals.** Revised performance goals are needed for the Department of Labor to assess WtW Program performance as required by the Government Performance and Results Act (GPR). Therefore, when submitting a request for a grant modification to extend the period of performance, a State grantee must also provide revised performance goals as part of a separate State Plan modification. This will include cumulative quarterly planned enrollments and expenditures as well as final expected outcomes for: (a) placements into unsubsidized jobs; (b) percentage of participants retained for six months in unsubsidized jobs; and (c) percentage of wage gains. These goals must reflect performance to date as well as the extended operational period.

d. **Revision of Definitions.** The 1999 Amendments introduced revised eligibility criteria to make the WtW Program more flexible in serving the targeted population. Congress did not define a number of new terms that are now contained in the WtW eligibility criteria for long-term welfare recipients and certain noncustodial parents. The Employment and Training Administration (ETA) has followed the position that operating entities establish their own definitions to the greatest extent possible in the implementation of WtW and now in the implementation of the 1999 Amendments. Whether or not a State chooses to request an extension, or whether or not the geographic configuration of its local areas has changed, if a WtW grantee has developed or revised definitions as a result of the enactment of the 1999 Amendments, such information must be submitted in a modification of the State Plan.

e. **Use of AWN's Logo.** The Department of Labor is working with partners and stakeholders in the workforce development system to create America's Workforce Network (AWN<sup>2</sup>). AWN is the brand name for the nationwide network that provides information and services to help employers find qualified workers and to help people manage their careers. The AWN brand name establishes a national identity that connects the workforce services available throughout the nation. The AWN brand name supports the establishment and awareness of State and local identity and does not require changes to State or local brands or logos. The Network demonstrates to employers that there is a workforce development system that can meet their needs and informs the general public about available AWN services through the One-Stop system.

WtW formula grants will be modified separately to confirm that the grantee agrees to use the brand name and logo on all public materials such as statements, press releases, brochures, advertisements, reports, products, web pages and other documents describing projects or programs funded in whole or in part with ETA federal funding.

Many grantees in the workforce development system have already incorporated the use of the brand name and logo in their grant materials. Language which will be incorporated in WtW formula grants as a separate modification action can be found in Attachment II of this TEG. Additional information about the AWN brand name logo can be found in Training and Employment Information Notice No. 7-00, which was issued October 26, 2000, or online at <http://www.usworkforce.org>.

Complete instructions for the submission of an extension request and the updated information required to amend the current formula State Plans are included as Attachment I (Grant and State Plan Modification Instructions for WtW Formula Grantees).

5. **Information for WtW Competitive Grantees.** Any WtW Competitive Grantee may submit a modification request for a no-cost extension (as a result of the Department of Labor Appropriations Act, 2001) as follows:

a. **Extension of the Period of Performance.** A WtW competitive grantee may request a no-cost extension of up to five years (60 months) after the grant's award date if the grantee needs additional time to complete its grant activities. The extension request should include an analysis of grant performance to date, and a description of how the additional time will benefit the delivery of services to WtW participants. The request should also document the availability of administrative funds to operate the grant during the requested extension period. Note that the 15% cap on administrative expenditures is not affected by the extension and remains applicable for WtW grants.

b. **Revision of Performance and Expenditure Goals.** Revised performance goals are needed for the Department of Labor to assess WtW Program performance as required by GPRA. When submitting a request for a grant modification to extend the period of performance, a grantee must also provide revised performance and expenditure goals. At a minimum, the grantee must provide projected quarterly cumulative enrollment and expenditure targets, as well as final expected outcomes for placements in unsubsidized employment, retention rate at six months and increase in earnings. The quarterly goals must reflect performance to date as well as for the period covered by the requested extension. If the projected performance goals are not based on past performance, justification for the new projections should be provided.

c. **Revision of Definitions.** Many WtW competitive grantees applied for funding "in conjunction with" a Private Industry Council (now Local Board) or political subdivision. In implementing the WtW Program, Local Boards in cooperation with the States arrived at definitions of terms to which WtW competitive grants were subject, for example: "characteristics of long-term welfare dependence." As a result of the 1999 Amendments, most Local Boards will have developed or revised some of their definitions which are necessary for determining eligibility, such as "having difficulty making child support payments." WtW competitive grantees that applied for funding with a Local Board are advised to coordinate their eligibility and other procedures with the appropriate Local Boards to ensure that they are in compliance with WtW requirements.

The instructions for extensions of the period of performance of WtW Competitive Grants may be found in Attachment III (Grant Modification Instructions for WtW Competitive Grantees).

6. **Action.** Requests for extensions and related revisions to WtW formula and competitive grants and WtW State Plans must be submitted in accordance with the attached instructions.

7. **Inquiries.** Inquiries on this TEGL and the attachment(s) should be directed to your Grant Officer Technical Representative.

8. **Attachments.**

I -- Grant and State Plan Modification Instructions for WtW Formula Grantees

II -- Information About the America's Workforce Network Logo

III -- Grant Modification Instructions for WtW Competitive Grantees

