

**OUTLINE FOR FY 2006 SUPPLEMENTAL BUDGET REQUEST FOR PENALTY  
MAIL CONVERSION AND POSTAL MANAGEMENT IMPROVEMENTS**

*Up to \$50,000 per state is available in FY 2006 unemployment insurance (UI) funds for use by states to pay for the costs of converting to commercial mail and to improve efficiency and reduce mailing costs, and install or modify systems or equipment to decrease mailing expenditures.*

Description of the Project:

Provide a brief description of the proposed use of the SBR funds converting from OMAS to commercial mail and/or making improvements to the state's UI postal management system. The description should explain the activities that the SWA will undertake and should substantiate the proposed project costs.

Instructions: Refer to Handbook No. 336 for instructions in completing supplemental budget requests.

Costs:

Cost expenditures must match those on the SF 424A. Provide brief explanations of the cost breakouts for staff, equipment, other expenditures, etc., for each project and sub-project.

**Hardware, Software, Telecommunications Equipment, Contracted Services**

Item	Number Requested	Cost Per Item	Total Cost

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**Staff (This format is used for SWA staff and/or for contract staff)**

Position Title	# Hours	Cost Per Hour	Total

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Identify other expenditures and include cost estimates.

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State Contact: Provide name, telephone number and email address of the individual who can answer any questions relating to this proposal.

Amount of Funding Request for this Project: SBR funds may be used for one-time costs only and may not be used for ongoing costs, such as maintenance of software and hardware, or ongoing communications costs.

Staff costs are allowable only for staff not previously funded by the state's base grant. Costs for training and related travel expenses are allowable for base staff but salaries and benefits are not allowable for base staff attending training unless the state incurs additional expenses such as backfilling the staff position during the time that the employee attends training. Above base AS&T and NPS staff year costs must be based on the state PS and PB rate approved for the current year's UI grant.

Examples of how SBR funds may be used include the following:

- Converting OMAS meters to commercial meters, and payment of Permit Mail and Business Reply Mail (BRM) fees (see #5 in TEGL 4-06).
- Conducting a cost-benefit analysis of using contract services that will allow states to take advantage of presorting and automation discounts offered by the Postal Service to reduce postage costs.
- Replacing/updating mailing equipment to improve efficiency and reduce costs (for states that manage their own mail operation).
- Assessing current mailing processes to identify areas where additional efficiencies may be derived, including reviewing what is mailed and to whom it is being mailed, and, where applicable, reducing unnecessary redundancies in mailing.
- Modifying benefit or tax systems to ensure the most efficient print streams are used.

Any funds that are not used for automation acquisition expenditures must be obligated by December 31, 2006, and liquidated within 90 days of that date. Funds used for automation acquisition expenditures are available for obligation through September 30, 2008, and liquidated within 90 days of that date.

Due Date: SBR proposals must be received in the national office no later than September 15, 2006.

**Send these SBRs and the required documents to the attention of: U. S. Department of Labor, Office of Workforce Security, ATTN: Jagruti Patel, 200 Constitution Avenue, NW, Room S-4231, Washington, D.C. 20210. A copy should be provided to the appropriate Regional Administrator. The state should ensure that the following is provided:**

- **Original and two copies of each SBR proposal with supporting documentation.**
- **Completed forms SF 424 (revised 10-2005), 424a and 424b as required in ET Handbook 336, 18<sup>th</sup> Edition.**