

Employment and Training Administration Advisory System U.S. Department of Labor Washington, D.C. 20210	<b>CLASSIFICATION</b> WORKFORCE INFORMATION
	<b>CORRESPONDENCE SYMBOL</b> DWSS/WORKFORCE INFORMATION
	<b>DATE</b> June 6, 2006

**TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 31-07**

**TO:** ALL STATE WORKFORCE AGENCIES  
 ALL STATE WORKFORCE ADMINISTRATORS  
 ALL STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS  
 ALL STATE WORKFORCE LIAISONS

**FROM:** BRENT R. ORRELL /s/  
 Acting Assistant Secretary  
 Employment and Training Administration

**SUBJECT:** Application Instructions for Program Year (PY) 2008 Workforce Information Grants: Workforce Information Formula Allocations to States

- Purpose.** To announce the grant application process and to transmit guidance for the development and management of the PY 2008 Workforce Information grants to states.
- References.** The Paperwork Reduction Act of 1995 (Pub. L. 104-13, 44 U.S.C. 3501-3520); Wagner-Peyser Act (48 Stat. 1B, 29 U.S.C. 49), Sections 7(a)(3)(D), 7(d), and 15; Sections 111(d)(8) and 309 of the Workforce Investment Act (WIA) (Pub. L. 105-220, 29 U.S.C. 2801, et seq.); Parts I and II, Section IV of the WIA/Wagner-Peyser Two-Year Planning Guidance (70 Federal Register 19206 (April 12, 2005)); 29 Code of Federal Regulations (CFR) Parts 93, 96, 97, and 98; Office of Management and Budget (OMB) Circular A-87; and, Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d).
- OMB Approval.** In conformance with the Paperwork Reduction Act of 1995, OMB reviewed and approved the information collection (OMB Control Number 1205-0417).

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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That approval expires May 31, 2011. Under 5 CFR 1320.5(b), an agency cannot conduct, sponsor, or require a response to a collection of information unless the collection displays a valid OMB Control Number. The reason for the collection of information is for the planning and management of the workforce information formula grants to states (WIGS).

- 4. Background.** The world is witnessing one of the greatest economic transformations in history. Revolutions in technology and information have ushered in the era we know as globalization. This era is marked by tremendous advances in communications, travel, and trade, allowing individuals instant access to commerce from almost anywhere in the world. While some regions of the country have thrived as a result of globalization, others have struggled to compete.

Some regions and states are seeking to transform their economies because they have been dependent on a few industries that are not faring well in the global economy. These regions are being forced to revitalize and reinvent themselves. At the same time many regions have made considerable progress in incorporating talent and skills development into their larger economic strategies and integrating workforce development, economic development, and education efforts into a comprehensive system that is both flexible and responsive to the needs of businesses and workers.

To facilitate the growth of a regional economy, attention to three critical elements is required: infrastructure, investment, and talent. The Workforce Innovation in Regional Economic Development (WIRED) initiative was launched in recognition that this third key element, talent, drives prosperity. Beyond the initial investment in 39 WIRED regions, ETA is encouraging regional economies throughout the nation to adopt the WIRED framework for economic prosperity and use the blueprint for talent development in regional economies as a model for planning and action. The framework and blueprint (along with workforce information resources to support application of the blueprint) are found at <http://careeronestop.org/RED/>.

One of the keys to success in regional economic development is the quality and strength of the regional partnership. The partnership should be composed of the organizations necessary to transform the regional economy, including the workforce investment system, economic development, education, civic, business, government, entrepreneurial, and philanthropic organizations to drive economic transformation. Together, they should gather and analyze a wide array of current workforce information and economic data in order to create new knowledge about regional economies to support strategic planning, routinely track economic conditions, benchmark economic competitiveness in the global marketplace, and measure outcomes.

Section five below provides highlights of the vision and ETA's goals, strategies, and expectations for the workforce information system.

5. **Workforce Information Goals and Strategies.** ETA's goal is to continue the transformation to workforce information and services that support regional economies. To achieve this goal, ETA expects states to:

- Develop workforce information and economic analyses to support regional economic development initiatives;
- Participate in economic and workforce activities that are designed to identify regional assets, exploit strengths and opportunities, and address weaknesses;
- Help economic development project teams address gaps identified in their assessments and participate as catalysts in the development of implementation strategies;
- Help develop integrated economic development strategies unifying workforce and economic development systems and connecting to other public and private entities; and
- Integrate workforce information and economic data into user-friendly and accessible tools, information, and products for use by workforce professionals in providing career guidance for students, adults, and workers of all ages to use in making career decisions.

In addition to the workforce information routinely produced by the state workforce agencies (SWAs), ETA expects that other relevant data sources will be leveraged by grantees to expand the scope and enhance the utility of information products and services. To assist the workforce investment system to consider and use a wider variety of workforce information, ETA developed a "Catalogue of Workforce Information Sources: Decision Making Assistance for Regional Economic Development". Updated annually the catalogue can be found at <http://careeronestop.org/Red/Catalogue.doc>.

The catalogue is designed to be a compilation of accessible data sources (Federal, state, and private sector) that can help support local, state, and regional planning efforts. Divided into three parts, the catalogue begins with a review of workforce and labor market information sources, lists, portals, and systems for workforce and labor market information decision support, and ends with a section on data integration and analysis tools and services.

**Among the resources captured in the Catalogue are data available from government sources such as:**

- U.S. Department of Labor;
- U.S. Department of Commerce;
- U.S. Census Bureau;
- Bureau of Economic Analysis;
- the Federal Reserve;
- National Center for Education Statistics;
- U.S. Department of Transportation; and
- U.S. Patent and Trade Office.

**Supplemental data sources that SWAs should also consider include:**

- Data collected by economic development agencies, trade, and industry associations, and Chambers of Commerce;
- Data from site selection subscription services;
- Data from state and private sector job banks such as America's Job Exchange.com, Careerbuilder.com, JOBcentral.com, Monster.com, and, Employon.com to analyze skills in demand for geographic areas;
- Demographic characteristics of the workforce such as educational attainment, and where workers live and work;
- Industry cluster analyses;
- Occupational analyses; and, occupational supply and demand analyses from job vacancy statistics;
- Education assets such as the presence of community colleges, proprietary schools, and four year institutions;
- Training program inventories;

- Infrastructure and economic asset maps for geographic areas;
- Venture capital availability and investments; and
- Government, university, and private sector research investments.

6. **Partnership Expectations.** These PY 2008 workforce information grant guidelines require consultation between the grantees' SWAs, state workforce investment boards (SWIBs), local workforce investment boards (LWIBs), the leadership of WIRED grantees within the state, and other strategic partners in order to increase the scope and utility of workforce information to inform talent and economic development strategies and enhance career guidance.

ETA expects grantees to operate as catalysts for establishing strategic partnerships driving the regional economic development framework. Grantees are also expected to collaborate with the partners -- economic development agencies, education and training institutions, business groups, industry associations, and other public and private producers and distributors of labor market and economic information -- to gather and analyze a wide variety of workforce and economic data to drive strategic planning, track economic conditions, benchmark competitiveness, and measure outcomes.

Exemplary tools, products, and processes developed through state and local partnerships, including those identified by the Workforce Information Innovators Network (WIN/WIN), will be shared and made available for system review and sharing through ETA's Web portal, Workforce<sup>3</sup>One ([www.workforce3one.org](http://www.workforce3one.org)).

Additionally, the annual workforce information performance reports submitted by the states are reviewed by both regional and national ETA staff. States should view and use this grant deliverable as an opportunity to fully communicate and highlight the partnerships, activities, and other outcomes attained during the program year. The annual report should be more than just a compilation or listing of state workforce information products that is simply updated from year to year.

7. **Funding and Leveraging Resources.** Funds will be provided to states to produce, at a minimum, the core information products and services required by Attachment III of this guidance, and for the development of other workforce information products and services which, at a state's discretion, might be required to support the transformation of the workforce system to a talent development system.

A total of \$31,863,448 is available for PY 2008, minus \$176,472 allocated in total to Guam and the Virgin Islands. DOL will distribute the remaining amount of \$31,686,976 by formula to states and the District of Columbia, with 40% distributed equally to all states and 60% distributed based on each state's relative share of the civilian labor force for the 12-month period ending September 2007 (see Attachment I for the table of state allocations). States are urged to collaborate with other data providers and to leverage resources in order to expand their capacity to produce quality workforce information and economic analysis. Many entities have expertise and resources that can be leveraged. Some examples of leveraging resources are developing fee-for-service agreements with customer organizations; obtaining matching funds from other organizations for a common grant activity; or incorporating other organizations' labor market or economic information to enhance the scope and utility of workforce information.

8. **State Certification of Required Grant Deliverables.** States must submit a grant Statement of Work Certification (see Attachment IV) affirming that all six deliverables required by the grant Statement of Work Guidelines (see Attachment III) will be accomplished during PY 2008. The Certification must be signed by the governor or by both the SWA administrator and the chairperson of the SWIB.

If circumstances prevent accomplishment of a specific grant deliverable during PY 2008, a deferral must be negotiated by the state with the ETA Regional Administrator including the reasons for delay and a proposed completion date noted as an addendum to the Statement of Work Certification. Planned grant activities and grant accomplishments must be documented by the regional office in the state's grant file and those records made accessible, per 29 CFR, Part 97.42(e)(1), for examination by ETA or other authorized Federal representatives.

9. **Accountability.** The effectiveness of grantee performance will be assessed and documented through the following approach:
  - a. **ETA Grant Reviews.** The ETA regional offices will conduct periodic reviews of states' progress towards meeting the PY 2008 certified grant deliverables, the degree to which collaboration with the SWIB and other partners exists and quarterly reviews of grant expenditures and obligations.
  - b. **Performance Reporting.** ETA implemented common measures reporting and revised reporting requirements in PY 2005. These include reporting on the impact of workforce information services on participant outcomes. As of July 1, 2005, states were required to capture a wide variety of workforce information services provided to participants and to report the outcomes achieved by participants who received workforce information services. States began reporting the Entered Employment Rate, Employment Retention Rate

after Six Months, and Earnings for participants following receipt of workforce information services. In PY 2008, ETA will continue to monitor the outcomes achieved by participants who received workforce information services.

- c. **Consultation and Customer Satisfaction Assessment.** Section 15 of the Wagner-Peyser Act (WIA Section 309) requires states to consult with customers about the labor market relevance of the information disseminated through the statewide workforce information system. ETA interprets customers to include those marshaled by the workforce system, WIRED grantees, and other regional economic development partners to foster talent and economic development. Consultation with the workforce investment system and other customers provides the basis for formulating continuous improvement strategies for workforce information. ETA is not prescribing an approach or methodology for conducting customer consultations. Methods might include focus groups, various types of surveys, documented consultations, customer satisfaction assessments, or other methods the state considers appropriate.
- d. **Annual Performance Report.** Grantees are required to submit an annual performance report for the workforce information grant (29 CFR 97.40(b)(1)), signed by both the SWA administrator and the SWIB chairperson, or the governor, as specified in Attachment V, Section A. The report must include a description of outcomes compared to certified grant deliverables and, where appropriate, an explanation as to why a grant deliverable was not accomplished and what will be done to ensure accomplishment.

The annual performance report must also include a summary of the results of the grantee's customer consultations regarding state workforce information products and services and a summary of activities to be undertaken to add customer value where needs for improvement are indicated. The report may also include recommendations for consideration by ETA for changes and improvements to the required grant deliverables.

Grantees must electronically submit the annual performance report as a .pdf file to the appropriate ETA regional office 90 days following the end of the program year. ETA will post the annual performance reports on the ETA Web site for the purpose of informing the system of overall grant performance.

States should note that .pdf copies of documents submitted to ETA for Web posting are expected to meet the Federal accessibility requirements stated by Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d). (See [www.section508.gov](http://www.section508.gov) for more information.) States unable to convert their annual report and economic analysis grant deliverables to meet Section 508 .pdf accessibility standards should instead submit them to ETA in Microsoft (MS)

Word or an equivalent text format. Forwarded files will be converted by ETA to meet .pdf accessibility guidelines prior to Web posting for public use and review.

10. **Special Grant Requirements.** Funds provided by this award may not be used to supplant funds obligated from other funding sources for workforce information activities. All costs incurred under the grant must support the cost objectives specified in Section 6 of this guidance and must conform to the principles for "reasonable" and "allocable" costs as specified in OMB Circular A-87.

Any data collection activities must conform to technical standards and methodologies established by the Bureau of Labor Statistics or document, in the state's grant file, a sound business rationale for the use of an alternative methodology. Any information technology systems or applications developed with these funds must adhere to industry-standard, open architecture principles with documentation and software made available for use by other organizations for Federal Government purposes.

11. **Publications and Other Information Products.** Grantees are required to submit .pdf or links to .pdf copies of the economic analysis reports (Deliverable 3) and any special studies and economic analyses (Deliverable 6) to the appropriate regional office 90 calendar days following the end of the program year.

Grantees are also requested to submit .pdf or links to .pdf copies of publications and other products produced with these grant funds that are considered to be of special interest to the workforce investment system to the appropriate regional office. Examples of products of special interest might be workforce information targeted to the needs of WIRED grantees and other regional economic development efforts, other specific customer groups, industry-specific research and analysis, state brochures describing the availability and functionality of electronic, self-service tools, documentation of innovative applications developed for database access or manipulation, or innovative workforce information services available to customers.

As noted above under Section 9d Annual Performance Report, .pdf copies of documents submitted to ETA for Web posting are expected to meet the Federal accessibility requirements stated in Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d). States encountering compliance difficulties should submit their grant deliverables as MS Word or equivalent text formatted documents which ETA will then convert to meet .pdf accessibility guidelines.

12. **Grant Expenditure Period.** The maximum expenditure period for these funds is three years under the Wagner-Peyser Annual Funding Agreement. The grant will cover, at a minimum, the 12-month period from July 1, 2008 to June 30, 2009, but



may, if negotiated between the state and the ETA regional office, cover a longer period of time up to the maximum expenditure period ending June 30, 2010.

13. **Grant Modifications.** The grantee and the ETA regional office may jointly modify planned expenditures, within the state allocation during the grant period of performance. The regional office has authority to recommend the reallocation of grant funds to the ETA grant officer when overall grant expenditures and obligations are substantially below quarterly budgeted forecasts.
14. **Financial Management and Reporting.** States are to forecast actual cash needs by Program Year quarter on Standard Form (SF) 424A, Section D, for all quarters covered by the grant. State workforce agencies will report quarterly expenditures by direct data entry of the SF 269, Federal Cost Report, into the Web-based Enterprise Business Support System (EBSS). Per 29 CFR 97.41(b)(4) quarterly financial reports are due 30 days following the end of each quarter. Address any questions regarding financial management and reporting for PY 2008, or for any existing prior year fund balances, to the appropriate ETA regional office.
15. **Action Required.** Grant applications are due to the regional offices within 45 days of the date of this guidance. A submission date later than 45 days may be approved by ETA Regional Administrators. ETA requests that SWA administrators:
  - a. Immediately transmit these grant application instructions to the appropriate SWA office and to the SWIB.
  - b. Submit the original and two (2) copies of the PY 2008 grant application package with a transmittal letter signed by: (1) the governor; or (2) both the SWA administrator and the chairperson of the state SWIB to the appropriate ETA regional office.
  - c. Include in the grant application package:
    1. Transmittal Letter
    2. Application for Federal Assistance (SF-424)
    3. Budget Plan (SF-424A, Section D only)
    4. Statement of Work Certification
16. **Inquiries.** Direct questions on statement of work and grant requirements to the appropriate ETA regional office. Direct grant and financial management questions to the regional office or to Gwendolyn Baron-Simms at (202) 693-3309 or to Fred Tello, Grant Officer, at (202) 693-3333.

**17. Attachments.**

- I. State Allocations for PY 2008
- II. Grant Procedures
- III. Statement of Work Guidelines
- IV. Statement of Work Certification
- V. Annual Performance Report Instructions