

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION National Emergency Grants
	CORRESPONDENCE SYMBOL OGM
	DATE January 6, 2015

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 17-14

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE AND LOCAL WORKFORCE INVESTMENT BOARD CHAIRS and DIRECTORS
STATE LABOR COMMISSIONERS

FROM: PORTIA WU 
Assistant Secretary

SUBJECT: National Emergency Grant Revised Modification Process

1. **Purpose.** To notify National Emergency Grant (NEG) grantees of changes to the Employment and Training Administration's (ETA's) NEG modification process. These revised procedures are effective immediately.
2. **References.**
 - Workforce Investment Act (WIA), section 173 (29 U.S.C. 2918), as amended
 - WIA regulations at 20 CFR part 671
 - Training and Employment Guidance Letter (TEGL) No. 16-03 "National Emergency Grant (NEG) Policy Guidance," dated January 26, 2004
 - TEGL No. 16-03, Changes 1, 2, 4 and 5, "National Emergency Grant (NEG) Policy Guidance"
 - "Workforce Investment Act: National Emergency Grants – Application Procedures," 69 Federal Register Notice 23052 (April 27, 2004)
 - Training and Employment Notice (TEN) 32-10, "Revised National Emergency Grant Application Submission and Review Process," dated March 30, 2011
 - Information Collection Forms – ETA 9103, 9104, 9105, 9106, 9107 (OMB Control No. 1205-0439)
3. **Background.** NEGs are discretionary grants awarded by the Secretary of Labor under section 173 of the WIA, as amended, to provide employment-related services to dislocated workers. NEGs are intended to temporarily expand service capacity at the state and local levels by providing funding assistance in response to significant dislocation events. These events include plant closures and mass layoffs, as well as others recognized by the Secretary under 20 CFR 671.110(f) that create a sudden need for assistance that cannot be

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accommodated within the ongoing operations of the WIA Dislocated Worker formula program.

Applications for NEG funds and subsequent modification requests are submitted via ETA's NEG electronic application system (eSystem). Appropriate information is transmitted using Office of Management and Budget (OMB) approved forms. A list of the forms that generally comprise a full NEG application follows, along with the general purpose of each:

- SF-424 – Application for Federal Assistance (OMB No. 4040-0004) – A standard form for all Federal grant applications that provides basic applicant and project information
- SF-424A – Budget Information Form for Non-Construction Programs (OMB No. 4040-0006) – A standard form that provides planned line item costs in several broad categories
- SF-424A Budget Information Narrative (OMB No. 1205-0439) – A narrative explanation for the Contractual and Other line items of the SF-424A
- Project Synopsis Form – ETA 9106 (OMB No. 1205-0439) – This form describes the event that occurred to make the NEG necessary, along with the planned activities. The form also conveys other pertinent information, such as performance goals, cost-per-participant, etc.
- Employer Data Form(s) – ETA 9105 (OMB No. 1205-0439) – This form provides information about the employer(s) from which the worker group was dislocated, layoff data and number of affected workers, as well as other information, such as the Rapid Response actions taken
- Project Operator Data Form(s) – ETA 9107 (OMB No. 1205-0439) – This form conveys what organization(s) will deliver services and manage the day-to-day operations of the NEG
- Planning Form – ETA 9103 (OMB No. 1205-0439) – This form conveys the planned expenditures and enrollments through the life of the project
- Narrative Statements (OMB No. 1205-0439) – These provide additional information to clarify or enhance certain parts of the application that are not captured on the aforementioned forms or in other uploaded documents

The NEG eSystem automated a large portion of the application process. The NEG eSystem was designed to streamline the application process for NEG applicants, as well as to request changes to their existing NEG's through modification requests. In 2011, ETA improved the application process further by making materials, such as checklists and guidebooks, available as reference tools to help applicants prepare NEG applications. Hyperlinks to these reference tools are available in TEN 32-10.

In 2012, ETA developed tools to help grantees better understand NEG modification requirements. Using the feedback it received, ETA identified opportunities to further improve and streamline the NEG modification process. This TEGl relays additional improvements made to streamline the NEG modification process and provides information on resource materials developed to support the new process.

4. **Revised Modification Requirements.** The Department released the latest version of the NEG eSystem earlier this year, which incorporated the revisions to the NEG modification process. Previously, grantees were required to update and resubmit *all* application forms with each modification request. The NEG eSystem now prompts grantees for information required to complete *only* information critical to the modification type being requested. This significantly reduces the number of revisions/forms needed for most modification types.

Key changes include:

- Period of Performance Change or Budget Realignment – Only *two* forms are now needed to change the period of performance or realign the budget
- Add New Employers – Within the Program Year of the grant award, grantees need only complete a new Employer Data Form for the employer to be added
- The Planning Form is no longer required for several types of modification requests
- Modifications are no longer required to add layoffs from employers approved in the initial application, to increase the number of participants, or to add or remove a project operator

5. **Requests for Clarification and Requests for Recall (Withdrawal).** If a modification request needs additional information and/or must be withdrawn, this will be communicated to the grantee via the NEG eSystem through the Request for Clarification or Request for Recall (Withdrawal) functions.

In addition to direct communication from the ETA Federal Project Officer, grantees will be notified via an e-mail from the NEG eSystem if a clarification is needed, and the request will remain in the queue, on hold, while awaiting the grantee's response. The grantee should submit a response to the Request for Clarification through the NEG eSystem. Responses to Requests for Clarification must be made within five business days.

Grantees may also be asked to recall modification requests that require revisions in order to move the request forward. This process is called a Request for Recall. Grantees will be notified via an e-mail from the NEG eSystem if a recall is needed. A Request for Recall must also be addressed within five business days.

If a grantee does not respond to, or address, a Request for Clarification or a Request for Recall within the five business day period, then ETA may return the modification request to draft status.

As stated in TEN 32-10, applicants/grantees that take advantage of regional office technical assistance when developing their submissions submit higher quality documents, which reduce analysis and processing times. As a result, the ETA regional office review of draft NEG applications and modification requests is a formal component of the review and analysis process. Grantees are strongly encouraged to consult with their regional office representatives when preparing their modification request submissions.

6. **Workforce Innovation and Opportunity Act (WIOA)**. Under WIOA, the grants currently known as NEGs will become National Dislocated Worker Grants. Regulations and broader guidance associated with these new grants, and any resulting impact on the grant modification process, will be forthcoming as a part of the implementation of WIOA.
7. **Paperwork Reduction Act (PRA) Statement**. According to the PRA, no persons are required to respond to a collection of information unless such collection displays a valid OMB Control Number. The Department notes that a Federal agency may not conduct or sponsor a collection of information, nor is the public required to respond to a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB Control Number (44 U.S.C. 3507). Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB Control Number (44 U.S.C. 3512). The currently valid OMB Control Number for this collection is OMB 1205-0439.
8. **Inquiries**. Please direct questions regarding this guidance to the appropriate ETA Regional Office.
9. **NEG Modification Resources**. ETA has made resources available to assist with the revised modification process at http://www.doleta.gov/neg/NEG_Application_Tools.cfm:
 - List of Common Modification Types and New Modification Requirements
 - Modification Checklists