

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U. S. Department of Labor Washington, D.C. 20210	CLASSIFICATION UI
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ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 05-10

TO: STATE WORKFORCE AGENCIES

FROM: Jane Oates /s/
Assistant Secretary

SUBJECT: Fiscal Year (FY) 2010 Unemployment Insurance (UI)
Reemployment and Eligibility Assessment (REA) Grants

1. **Purpose.** To invite the submission of proposals and funding requests from State Workforce Agencies to implement new UI REA initiatives or continue an ongoing REA initiative at the current or an expanded level; to provide guidelines for developing the proposals, and to provide criteria governing the use of these funds.
2. **References.** Regional Office issuances regarding the REAs for FY 2005 and FY 2006; Unemployment Insurance Program Letter (UIPL) No. 30-06, Fiscal Year (FY) 2007 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants; UIPL No. 25-07, Fiscal Year (FY) 2008 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants; UIPL 23-09, Fiscal Year (FY) 2009 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants; *Federal Register Notice* - Volume 70, Number 163, dated August 24, 2005; ET Handbook No. 401; ET Handbook No. 402; Training and Employment Guidance Letter (TEGL) No. 14-08 Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009; ETA Occasional Paper No. 2004-01 Internet Initial Claims Evaluation - Section V, Reemployment Assistance and Continuing Eligibility; ETA Occasional Paper No. 2002-09 Evaluation of the Significant Improvement Demonstration Grants for the Provision of Reemployment Services for UI Claimants; and ETA Occasional Paper No. 2000-01 Unemployment Insurance in the One-Stop Delivery System.
3. **Background.** The reemployment of UI beneficiaries and the reduction of erroneous payments are high priorities for the Employment and Training Administration (ETA). A number of studies have found that attention to UI beneficiaries' efforts to find new jobs and attention to their reemployment service needs result in shorter claim durations and fewer erroneous payments. The REA initiative addresses both of these priorities.

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A total of 18 states have operated REA initiatives since FY 2005, and 16 states received funds in FY 2009 to implement an REA initiative.

In the context of the current recession, providing reemployment services to UI beneficiaries has taken on even greater importance. As a result, ETA is focusing its attention and resources on better integrating and connecting UI services with those services delivered through the One-Stop delivery system under the Workforce Investment Act of 1998 (WIA). The goal is to ensure that claimants have access to the full array of employment and training services through the One-Stop system, while also ensuring that claimants comply with the individual state requirement to actively engage in seeking work as a condition of receiving UI benefits.

The American Recovery and Reinvestment Act (Recovery Act) provided additional resources to the workforce investment system to support reemployment services. Therefore, ETA is amending the parameters of the REA program to pro-actively require that states fully integrate their REA program with Recovery Act funded reemployment services and other WIA-funded workforce investment services.

4. **FY 2010 Funding.** A total of \$60 million has been appropriated for REAs in FY 2010. Pursuant to Congressional direction, ETA will apply a portion of these funds to improvement of improper payment prevention, detection and collection efforts utilizing current and emerging technologies. States with current REA initiatives have the opportunity to apply for funds to continue or to expand initiatives to additional areas within the state and/or to provide assessments to a larger number of beneficiaries. In addition, states that are interested in implementing new REA initiatives have the opportunity to apply for this funding.

States that are not currently participating should include start-up costs and costs related to development of the UI Required Reports, ETA 9128 and ETA 9129 in their proposal. New states should provide the information requested in the UI REA Proposal Outline for First Year REA Grants (Attachment A) and complete the Unemployment Insurance Reemployment and Eligibility Assessment Cover Sheet (Attachment B).

States currently participating in an REA initiative should complete the Unemployment Insurance Reemployment and Eligibility Assessment Cover Sheet (Attachment B) and provide the information requested in the UI REA Proposal for Participating REA States (Attachment C). An automated version of this form is also available (Attachment D). Participating states may submit proposals to expand their initiative by providing REAs to a larger number of UI beneficiaries. Also, if appropriate, states may request a lower amount of funding in FY 2010 than was provided in FY 2009; this will not adversely impact future requests.

Funds for states wishing to implement a new REA initiative are to be obligated within one year of the date of implementation. The date of implementation is the date that the first REA participant is scheduled to report to a One-Stop Career Center.

5. **Guidelines.** Funds must be used to assess the continued eligibility and reemployment needs of UI beneficiaries and are not intended to supplant ongoing UI grant funds devoted to eligibility reviews for claimants who are not selected for an REA. States do not have to implement the REA initiative statewide. Assessments are to be conducted only for UI beneficiaries who do not have a definite return-to-work date.

The provision of services through the One-Stop Career Center and the actions to be taken when claimants fail to report as directed have been strengthened as further explained below. By applying for REA funding, continuing states are agreeing to take steps during the current FY to meet these strengthened service provisions. New states should include these provisions when designing their REA initiative. While providing reemployment services such as resume writing or interviewing workshops and job placement activities are not permissible uses of UI grant funds, these activities should be an extension of the REA process and funded from other sources such as Recovery Act RES funds or WIA funds. These costs should not be included in the state's proposed use of REA funds.

REA initiatives should be an integral part of the state's strategy for Reemployment Services (RES) grants provided under the Recovery Act. RES funds may be used to upgrade information technology and improve linkages, communication, and data transfer between UI, Wagner-Peyser, and One-Stop Career Center information systems. ETA has encouraged states to develop a comprehensive and integrated service delivery model to ensure that UI claimants receive an enhanced level of services. Service strategies and tactics are provided in TEGl No. 14-08 in Section 15. B. This document is available at: <http://wdr.doleta.gov/directives/attach/TEGL/TEGL14-08.pdf>. States are encouraged to review this document and collaborate with other workforce partners. These funds, in combination with REA funds, offer states a unique opportunity to build the data and communication linkages needed to better target services, eliminate redundant data collection, and improve management information.

States applying for a new or continuing REA grant are required to explain how they will integrate REA activities with the RES initiative in their state. Continuing states should submit their plan addressing this new requirement. New operational procedures using this guidance must be in place by April 1, 2010.

The following guidelines also apply:

- a. The REA must include the following minimum core components:
 1. UI eligibility assessment and referral to adjudication, as appropriate, when a potential issue is identified;
 2. Requirement for the claimant to report to the One-Stop Career Center to receive the services identified in section c below;
 3. The provision of Labor Market Information; and

4. Development or review of a reemployment plan that includes work search activities, accessing services provided through the One-Stop Career Center, and/or approved training.
- b. UI beneficiaries must be required to report in-person to the One-Stop Career Center for staff-assisted services as a part of the REA.
 - c. In sites selected for implementation, states are required to establish an agreement or Memorandum of Understanding with One-Stops to triage to identify reemployment service needs and to provide, at a minimum, the following services:
 - Orientation to help claimants access self-service core services offered by the One-Stop Career Center through the resource room or virtually, with particular emphasis on accessing available labor market and career information;
 - Registration with the state's job bank;
 - Referrals to appropriate services offered through the One-Stop Career Center; and
 - Support in the development of the claimant's reemployment plan that must include either: work search activities, appropriate workshops, and/or approved training.
 - d. REA claimants are required to participate fully in all components of the REA. Failure to report or failure to participate in any aspect of the REA will result in referral of the issue to adjudication. States must include in their plan the processes for:
 1. A feedback loop to the UI system as to whether the claimants reported to the One-Stop Career Center as directed and participated in the minimum activities outlined in their reemployment plan, and
 2. A process for rescheduling claimants who fail to report as directed or referring such claimants to adjudication.
 - e. A measure of program effectiveness will be derived by comparing outcomes of REA program participants with outcomes from a similar group of claimants who did not participate in the REA program. Therefore, states receiving REA grant funds must agree to develop a methodology for identifying a comparison group. The specific methodology to be utilized is not required to be included in the state's REA proposal. If needed, ETA will provide states with technical assistance in developing an appropriate comparison group methodology, to ensure that the comparison group will provide an accurate population for assessing the results of the state's REA initiative. (States may contact their Regional Office to request that a conference call be conducted with National Office staff for assistance.)

- f. The state must submit required REA reports. These reports are the ETA 9128 - Reemployment and Eligibility Assessments Activities report and the ETA 9129 - Reemployment and Eligibility Assessments Outcomes report (OMB Approval No. 1205-0456). These reports capture specific data about the REA program participants and the comparison group. States submitting REA proposals for the first time may request funds to develop these required reports. States that currently operate a REA initiative already received funds for the development of these reports.
 - g. The state must agree to participate in any ETA funded studies of the effectiveness of the UI REA initiative. Results may be used to prepare a report to Congress.
6. **Proposal Format and Instructions.** The format and instructions for preparing the UI REA grant proposals are provided in the following attachments. Attachment A provides the guidance for states that have not received a REA grant. Attachment B is the cover sheet and is required for all proposals. Attachment C is the information required from states that are currently participating in the REA initiative. All pages in the state's proposal should be numbered.

Each proposal should contain the name and telephone number of the person who is to be notified of approval of the grant. In most instances, this individual will be the State Administrator. Proposals should also include the name, telephone number and e-mail address of the individual who can respond to questions about the proposal.

Completed Standard Form (SF) 424 (Revised 10-2005), and SF 424A must be submitted for all REA grants within 10 days of the notification of the grant award. The SF 424A requires a breakout of object class categories in item 6 of Section B - Budget Categories. The breakouts must match the proposed expenditures.

7. **UI REA Grant Scoring Criteria.** The REA scoring criteria are explained in Attachment A and apply to states that have not previously participated in the REA initiative. The highest scoring proposal will be funded first followed in sequence by those with lower scores until all available funds are exhausted. States must follow the proposal outline. Each element of the proposal is important and should be addressed completely. Proposals should explain how the proposed program will work and include complete names and titles rather than acronyms and form numbers. Proposals scoring fewer than 80 points will not be funded.
8. **Supplemental Budget Request (SBR) Procedures.** States are encouraged to work with Regional Office staff while they are developing their proposals. States should ensure that:
- a. The UI REA project design meets the needs of UI beneficiaries;
 - b. UI and One-Stop Career Center staff work cooperatively in planning, developing, testing, and implementing this initiative;
 - c. The proposed expenditures are appropriate; and
 - d. The state can provide data for the required reports.

9. Time Lines.

- a. Participating states that plan to continue an REA initiative must submit proposals to the National Office by February 12, 2010. States will transition to new operating procedures by April 1, 2010.
- b. States submitting a proposal to implement a new REA initiative must submit proposals by February 12, 2010.
- c. Award notifications will be issued upon passage of the FY 2010 appropriation.
- d. States must submit an SF 424 and an SF 424A within 10 days of the award notification.

10. Action Requested. State Administrators are requested to:

- a. Provide information contained in this UIPL to appropriate staff.
- b. Send, via e-mail, an electronic copy of the proposal and the UI REA Cover Sheet to ows.sbr@dol.gov.
- c. Upon notification of the grant award, states must submit an SF 424, and SF 424A at the appropriate level of funding signed by the state administrator.

11. Inquiries. Direct questions to the appropriate Regional Office.

12. Attachments.

- A. Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Proposal Outline for First Year REA Grants
- B. Unemployment Insurance Reemployment and Eligibility Assessments Cover Sheet
- C. Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Proposal Outline for Participating States
- D. Information about the REA Initiative