

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSI FI CATI ON UI – Reempl oymen t
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	DATE February 10, 2011

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 10-11

TO: STATE WORKFORCE AGENCIES

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: Fiscal Year (FY) 2011 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants

1. Purpose. To inform state workforce agencies of 1) the opportunity to submit proposals and funding requests to continue REA programs at the current or an expanded level of funding; 2) to invite new states to implement an REA program; and 3) to provide newly revised guidelines for developing proposals that incorporate REA program changes for FY 2011, including criteria governing the use of REA funds.

2. References. Unemployment Insurance Program Letter (UIPL) No. 05-10, Fiscal Year (FY) 2010 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants; Federal Register Notice - Volume 73, Number 234, dated December 4, 2008; ET Handbook No. 401, 4th Edition; ET Handbook No. 402, 5th Edition; 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, TEGL No. 14-08, Change 1; Training and Employment Notice (TEN) 31-09 Cross-Program Collaboration for Reemployment and Eligibility Assessment (REA) Grants; and the recorded Webinar - A National Vision for Reemploying Unemployment Insurance (UI) Claimants Through an Integrated/Interconnected Workforce System located at <https://www.workforce3one.org/view/3001033453858334379/info>.

3. Background. The reemployment of UI claimants and the reduction of erroneous UI payments continue to be high priorities for the U.S. Department of Labor’s (USDOL) Employment and Training Administration (ETA). The REA program addresses both of these priorities and a total of 40 states have received funds to implement an REA program. In the context of the current recession, this important initiative has taken on even greater importance. ETA is focused on connecting UI claimants with reemployment and training services through the workforce investment system, specifically, linking them to services through the One-Stop Career Center system. The workforce system and the UI system are a single comprehensive, integrated workforce system and UI provides one of the core services. Ensuring that claimants have access to the full array of services available at One-Stop Career Centers while also ensuring claimants

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comply with all UI eligibility requirements are goals of the REA program. Widespread efforts are underway to ensure that UI services and other services delivered through the One-Stop delivery system under the Workforce Investment Act (WIA) of 1998 are well integrated. The intention is to advance the vision that UI services provide one of the many entry points into the service delivery system and individuals who file their UI claim are active job seekers who should partake of a variety of reemployment services. REAs are one resource that supports integrated service delivery, and ETA is committed to aligning REA policies and direction with this vision. REA implementation and operation plans must include descriptions of the collaborative process among program partners at the state and local levels to develop the state's REA processes and procedures. Enhanced collaboration and connectivity between the UI program and its partners provide opportunities to innovate.

A number of past studies have found that attention to UI claimants' efforts to find new jobs and to their reemployment service needs results in shorter claim durations and fewer erroneous payments. As previously mentioned, the REA program is designed to address both of these priorities. ETA will be working more intensely with states that receive REA grants to identify and share "best practices" and to develop a more uniform national REA program. ETA is also working in partnership with state and local delivery partners to improve the integration of UI and workforce programs with the goal of improving employment outcomes for UI claimants. REA program guidelines, including the REA program changes beginning in FY 2011, are provided in this UIPL and demonstrate the movement towards a more uniform REA delivery model. This model is designed to be in line with the vision of assertively providing the unemployed an improved system for accessing reemployment services. ETA is committed to providing the necessary technical assistance to states to implement these REA program requirements which are designed to strengthen the system connectivity to successfully serve the UI claimant population at the onset of their unemployment. In addition, ETA will be working with states to aggressively improve the quality of REA data reporting. The collection of timely and accurate data on the REA program's effectiveness will provide valuable information to assess and demonstrate the value of the REA program.

4. FY 2011 Funding. A total of \$65 million has been requested for REAs in FY 2011. Pursuant to Congressional direction, ETA will apply a portion of available funds to improve efforts to prevent improper payments, detect eligibility issues and collect overpayments utilizing current and emerging technologies. States with current REA programs have the opportunity to apply for funds to continue or to expand programs to additional areas within the state and/or to provide assessments to a larger number of claimants. In addition, states that are interested in implementing new REA programs have the opportunity to apply for this funding.

The REA funding period for 2010 will end March 31, 2011. Therefore, all estimated cost figures for FY 2011 should be based on the time period beginning April 1, 2011. As explained in the proposal outline, states must submit proposed costs for the time period beginning April 1, 2011, through September 30, 2011, and for April 1, 2011, through March 31, 2012, due to the uncertain status of the ETA budget. Funds remaining from the 2010 grant can be extended to cover a portion of the costs for the FY 2011 grant period. States must first determine if any FY 2010 funds are remaining and provide this information in their REA grant application. This information is needed to ensure that all available REA funds are awarded to states, as needed, and that requests for modifications to extend FY 2010 grants are initiated and processed promptly.

States that are not currently participating in the REA program should include in their proposal start-up costs and costs related to development of the UI Required Reports, Reemployment and Eligibility Assessments Activities, ETA 9128, (OMB approval No. 1205-0456) and Reemployment and Eligibility Assessments Outcomes, ETA 9129, (OMB approval No. 1205-0456). All new states should provide the information requested in the Unemployment Insurance (UI) Reemployment and Eligibility Assessment (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 program should complete the Unemployment Insurance Reemployment and Eligibility Assessment Cover Sheet (Attachment B) and provide the information requested in the Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Proposal Outline for Continuing States (Attachment C). These continuing states may submit proposals to expand their program by providing REAs to a larger number of UI claimants. Also, if appropriate, states may request a lower amount of funding in FY 2011 than was provided in FY 2010; this will not adversely impact future requests.

REA program funds are to be obligated within one year of the date of program implementation. The date of implementation is the date that the first REA participant is scheduled to report to a One-Stop Career Center.

5. Changed or Enhanced REA Guidelines For FY 2011. In FY 2011, ETA has expanded the parameters of the REA program to require that states fully integrate their REA program with WIA funded workforce investment services and to move towards a more uniform REA program nationally. The revised guidelines apply to the FY 2011 grant period, which begins April 1, 2011. If the state anticipates a need to implement any of the revised guidelines after April 1, 2011, both the applicable guideline and the projected implementation date should be included in the proposal narrative. The revised guidelines follow:

- a. States must provide each REA participant one-on-one service for the eligibility review and the development of an individual reemployment plan.
- b. States must provide a breakout of all proposed REA activities by either group or individual service and must designate any activities that will be conducted by telephone.
- c. States must contact REA participants no later than the 5th week of the claim and promptly schedule them for an REA. The fifth week in the claim series means the fourth week after the week in which the claimant files an initial claim. If the claimant has not yet established monetary eligibility for benefits or is not yet eligible because, for example, a nonmonetary issue is pending adjudication, the claimant should be selected during the first week that s/he claims after being determined eligible for benefits.
- d. After completing an initial REA in person at the One-Stop Career Center, states that conduct subsequent REAs for the same individual(s) may conduct these subsequent REAs by telephone, if appropriate. The proposal must identify activities that are conducted by telephone and provide the associated costs.

- e. Up to three REAs per individual claimant may be funded by the REA grant. Multiple REAs that exceed one initial REA and two subsequent REAs per individual will not be funded.
- f. States must address the new ETA vision of reemploying UI claimants through an integrated/interconnected workforce system in their REA Grant Proposals for FY 2011.
- g. States must submit a copy of the Memorandum of Understanding (MOU) or other agreement that is developed with Service Partners for the REA program. The agreement or MOU must confirm that a collaborative process among UI and workforce service providers, including state and local service partners, is a part of the REA design.
- h. States should include cost estimates for 1) completed REAs and 2) scheduled REAs that are not completed, for example, as when claimants fail to report for scheduled REAs.
- i. If an REA is not completed, claimants may be rescheduled. Eligibility issues must be adjudicated, as appropriate.
- j. States that conduct multiple REAs for the same individual(s) must include a description of the REA activities and provide cost estimates for both the initial and the subsequent REAs. In general, subsequent REAs are expected to require less time and resources to complete.

6. Basic Continuing REA Guidelines. REA funds must be used to assess the continued eligibility and reemployment needs of UI claimants 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 program statewide. Assessments are to be conducted only for UI claimants who do not have a definite return-to-work date. Claimants who are selected for participation in the Worker Profiling and Reemployment Assistance (WPRS) program should be excluded from the REA treatment and comparison groups.

The requirement that reemployment services be provided to REA participants through the One-Stop Career Center and the actions to be taken when claimants fail to report as directed are explained below. By applying for REA funding, states are agreeing to meet these requirements for the provision of reemployment services. New states should include these reemployment service delivery requirements when designing their REA program. 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 WIA funds. These costs must not be included in the state's proposed use of REA funds.

REA programs should be an integral part of the state's strategy for reemployment services. ETA has encouraged states to develop a comprehensive and integrated service delivery model to ensure that UI claimants receive an enhanced level of services.

The following guidelines also apply:

- a.** The REA must include the following minimum core components:
 - UI eligibility assessment and referral to adjudication, as appropriate, when a potential issue is identified;
 - Requirement for the claimant to report to the One-Stop Career Center to receive the services identified in section c below;
 - The provision of Labor Market Information; and
 - 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 claimants must be required to report in person to the One-Stop Career Center for staff-assisted services as a part of the initial REA. Subsequent REAs for the same individual may be conducted by telephone, if appropriate. If a telephone REA is conducted, state REA staff should ensure that both they and the claimant have access to the claimant's reemployment plan for review. The claimant's activities must be reviewed, and any proposed changes along with the concurrence of the claimant must be documented.
- c.** In those sites selected for REA program implementation, states are required to establish an agreement or MOU with One-Stop Career Centers 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 One-Stop Career Centers 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 One-Stop Career Centers; and
 - Support in the development of the claimant's reemployment plan that must include 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 must result in referral of the issue to adjudication. States must include in their proposal the processes for:
 - 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
 - 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 based on random assignment. A description of the methodology to be utilized is not required to be included in the state's REA proposal. As 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 program. States may contact their ETA Regional Office to request that a conference call be conducted with ETA National Office staff for assistance.

- f. The state must submit required REA reports. These reports are the ETA 9128 and the ETA 9129. These reports capture specific data about the REA program participants and the comparison group. States submitting REA proposals for the first time should request funds to develop these required reports. States that currently operate an REA program previously 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 program. Results may be used for a report(s) to Congress. States are also expected to participate in periodic REA conference calls and webinars to facilitate information sharing and technical assistance.

7. REA Required Reports. Accurate REA reports are critical to the success of the program. Funding is based upon the number of REAs scheduled and the activities related to these REAs are reported on the ETA 9128. The outcomes report measures the results of both the REA treatment group and the comparison group and the outcomes are reported on the ETA 9129. This measurement quantifies the differences between claimants who have been selected to participate in an REA and a group of claimants who have similar characteristics but have not been selected to participate. The data is used for reports to Congress on the REA program and for budgeting purposes, therefore accuracy is crucial. States are required to submit both reports on a quarterly basis and are responsible for ensuring that the data reported is accurate and the reports are submitted timely. They are entered into the UI Web- based reporting system. Reporting instructions for both reports are contained in ET Handbook No. 401, 4th Edition, and the edits for these reports are contained ET Handbook No. 402, 5th Edition.

8. Proposal Format and Instructions. The format and instructions for preparing the UI REA grant proposals are provided in the attachments to this UIPL. Attachment A provides the guidance for new states that have not received an REA grant. Attachment B is the cover sheet and is required for all proposals. Attachment C is the information required from states currently participating in the REA program. 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.

Standard Form (SF) 424 (OMB 4040-0004) and SF 424A (OMB 4040-006) must be completed and 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.

9. 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 program. 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.

10. Supplemental Budget Request (SBR) Procedures. States are encouraged to work with ETA Regional Office staff while they are developing their proposals and should ensure that:

- a. The UI REA project design meets the needs of UI claimants;
- b. UI and One-Stop Career Center staff work cooperatively in planning, developing, testing, and implementing this program;
- c. The proposed expenditures are appropriate; and
- d. The state can provide data for the required reports.

11. Time Lines.

- a. States must submit proposals to the National Office by March 3, 2011.
- b. Award notifications will be issued upon passage of the FY 2011 appropriation.
- c. States must submit an SF 424 and an SF 424A within 10 days of the award notification.

12. 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.

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

14. Attachments.

- a. Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Proposal Outline for First-Year REA Grants
- b. Unemployment Insurance Reemployment and Eligibility Assessments (REA) Cover Sheet
- c. Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Proposal Outline for Continuing States