Supplemental Budget Request Outline

1. **Name of the Project:**

2. **Amount of Funding Request for the Project:** Provide the total dollars requested for this proposal. By submitting this proposal, the state agrees to complete this project without additional Federal funds.

3. **State Contact:** Provide the name, telephone number and e-mail address of the individual who can answer questions related to this proposal.

4. **Project Description:** Briefly describe what the funds will accomplish.

5. **Project Timeline:** The value of this section is 10 points. Provide a timeline based on the date of the grant award. Identify the dates of all significant steps in this project from date of receipt of the grant through the projected implementation date of the project. A detailed timeline, which lists the target dates or milestones for all the key tasks, will receive more points than a general timeline that fails to capture key dates and tasks.

6. **Description of Costs:** The value of this section is 15 points. Provide a description of the costs associated with the proposed project. Costs must be clearly broken out for a state to receive the maximum 15 points.

   a. <u>Staff</u>: States should use the table format below to request state or contractor staff. Please provide actual cost descriptions.

Type of Position(s)	Number of Positions	Staff or Contract	Number of Hours	Cost Per Hour	Total Cost

   b. <u>Hardware, Software, and Telecommunications Equipment</u>: Provide an itemized list of hardware, software and telecommunications equipment <u>including the cost per item</u> and the number of each item requested. A description of each item should provide information needed to identify the specific item and a description of the size and capacity of each item, if applicable.

   c. <u>Other</u>: Identify and explain the need for each item; provide the expected cost per item.

7. **Strategic Design:** The value of this section is 50 points. Include a brief description of the strategic project design identifying key reasons this project is needed and how it will improve the state's performance in preventing and detecting worker misclassification.

For example, a state may propose using IRS file extracts, such as the 1099-Misc extract file, to perform computer matches, which may identify employers that are not submitting or are underreporting state UI reports.

Below is a breakdown for the points of the strategic design elements that should be included in the application.

a. <u>Analysis of Current Operations</u>: The value of this part of the element is 10 points. Include evidence of a well-thought-out analysis of current operations and identify any problem(s) that this project will address. Include evidence the state used to identify that a problem(s) exists and provide information reflecting the current status of any systems or procedures in place to address the problem.

b. <u>Proposed Solution</u>: The value of this part of the element is 40 points. States should describe how the project will increase the state's capacity for preventing and detecting worker misclassification and enforcing state UI laws and policies related to reducing the incidences of worker misclassification. The proposal should explain how the planned solution will work, including any changes to current operations. These changes may include adding methods of addressing misclassification that are not being optimized and/or implementing new processes to address worker misclassification. If another commonly known solution(s) could also work, the state should explain why the proposed solution is preferred based on the state's needs.

The emphasis should be on long term solutions that will address ongoing problems. Long term solutions that help to ensure consistent high performance such as passing the Effective Audit Measure each year will be scored highly. For example, the proposal could involve implementing a solution(s) that enhances future program operations such as developing a new or enhanced automated system(s) that identifies industries most likely to misclassify workers for field audits and is a good predictor of high yield audits.   The score of this element will be reduced by up to 8 points if the proposed solution is determined to be short-term that only meets current operational needs.

8. **Measurable Improvements Expected in UI Operations:** The value of this element is 25 points. List and quantify the improvements expected from implementing the proposed project. Provide estimates of realistic quantifiable improvements and/or cost reductions (e.g., improvement might be an estimated 25 percent decrease in the number of employers who misclassify employees). The narrative should explain how the estimate(s) was derived.