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| EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210 | CLASSIFICATION WORKFORCE INFORMATION |
| | CORRESPONDENCE SYMBOL DWSS/WORKFORCE INFORMATION |
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ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 4-11

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

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: Application Instructions for Program Year (PY) 2011 Workforce Information Grants to States: Workforce Information (WI) and Labor Market Information (LMI) Formula Allocations

- 1. Purpose.** To continue the established grant application process and program guidance for the development, management, and delivery of state LMI/WI core and special information services to state and local workforce investment boards (WIBs), One-Stop Career Centers, businesses, and the job-seeking public.
- 2. References.** The Paperwork Reduction Act of 1995 (Pub. L. 104-13, 44 U.S.C. 3501-3520); 29 Code of Federal Regulations (CFR) Parts 93, 96, 97, and 98; Office of Management and Budget (OMB) Circular A-87; Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d); Wagner-Peyser Act Sections 7(a)(3)(D), 7(d), and 15; (29 U.S.C. 49f and 491-2) Sections 111(d)(8) and 309 of the Workforce Investment Act (WIA) (Pub. L. 105-220, 29 U.S.C. 2821 (d)(8) and 491-2); Training and Employment Guidance Letter (TEGL) NO. 3-10, dated July 16, 2010, Application Instructions for Program Year (PY) 2010 Workforce Information Grants to States: Workforce Information (WI) and Labor Market Information (LMI) Formula Allocations.
- 3. OMB Approval.** In conformance with the Paperwork Reduction Act of 1995 (PRA), OMB reviewed and approved the information collection (OMB Control Number 1205-0417). This approval expired on May 31, 2011.

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| RESCISSIONS None | EXPIRATION DATE Continuing |
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ETA developed a PRA package for OMB approval to continue the approved information collection for the formula-funded LMI/WI grants beyond its expiration date. Until ETA receives new notification of approval from OMB, the above-approved information collection request for the Workforce Information Grants to States (WIGS) will automatically continue on a month-to-month basis. This interim continuance is necessary per 5 CFR 1320.5(b), as an agency cannot conduct, sponsor, or require a response to a collection of information unless the collection displays a valid OMB Control Number.

4. **Background.** For the 2010 program year, TEGL No. 3-10 stressed the importance of leveraging the WI grants, expanding partnerships within the workforce investment system and in the education and economic development communities. Additionally, state LMI entities were encouraged to join partnerships to apply for competitive grants since every employment and training enterprise can benefit from the workforce and labor market information, economic analyses, and the workforce intelligence gained from interpretation of the data within the context of the state, regional, and local economies.

These all remain as important themes that ETA will expect states to continue and expand upon as the LMI/WI core and special information grants to states begin the 2011 program year.

In the 2010 LMI/WI program year guidance, state LMI shops and research entities were urged to be ready to shape state policy and service delivery strategies based on a strong understanding of their current labor markets and expected areas of economic growth. The need for good comparable workforce data, information, and analysis has always been high. The “Great Recession” and its continuing effects on many state and local economies elevates the importance of LMI and its ability to stimulate positive impacts. State LMI/WI offices and economic research entities can help their states plan for the future and respond appropriately to the direction of local business and regional economies and meet state workforce needs.

5. **Workforce Information Goal and Objectives.** The goal for the Workforce Information Grants to States for 2011 is to continue to support increased employment and sustainable economic growth by supporting state and local workforce system planning and transformational efforts begun in 2010. States, through their LMI/WI research entities, must provide sound foundational data, information, and resources to workforce system staff and job seekers so that these customers can make informed decisions about the services, training, and career decisions that lead to good jobs. States should also provide actionable information and sound research to state and local policy makers to support the development of data-driven policies and program designs.

ETA expects state WI grantees to use their PY 2011 workforce information funding to continue informing state and local planning and customer decision-making by:

1. Populating the Workforce Information Database (WIDb) with state and local data;
2. Producing and disseminating industry and occupational employment projections;
3. Conducting and publishing relevant economic analyses, special workforce information, and/or economic studies determined to be of benefit to the governor and state and local WIBs;
4. Posting products, information, and reports on the Internet; and,
5. Partnering and consulting on a continuing basis with workforce investment boards and other key workforce and economic development partners and stakeholders.

State LMI/WI offices and research entities should continue to seek out viable partnership and customer service opportunities that enable the leveraging of limited WI program resources. ETA National Office LMI/WI staff will continue to facilitate, assist, and support linkages between the state LMI/WI offices and research entities and ETA formula-funded and competitive grant funded programs as mutually beneficial partnerships can lead to the attainment of needed resources and program outcomes for all.

6. **Partnership Expectations.** ETA-funded state workforce information grantees are required to consult with their strategic partners to increase the scope and utility of the workforce information used to inform sound state and local policies, workforce and regional economic development strategies, and to enhance the availability and use of career guidance and resources by workforce system staff and job seekers.

Therefore, workforce information grantees are to actively collaborate and partner with their state and local workforce investment boards; economic development agencies; education and training institutions; business groups; industry associations; and labor organizations in order to assure that the workforce information tools developed and provided with PY 2011 workforce information grant funding are those that meet identified needs.

7. **Funding and Leveraging Resources.** ETA provides formula allocated workforce information grants to states to produce, at a minimum, the core products and services required by Attachment III of this guidance, and to develop other workforce information products and services which are required to support the state and local workforce systems.

Due to a 0.2% across-the-board Congressional budget rescission for ETA programs enacted in the spring of 2011, a total of \$31,936,000 will be available for PY 2011, minus \$176,646 allocated in total to Guam and the Virgin Islands. ETA will distribute the remaining amount of \$31,759,354 by formula to states and the District of Columbia, with 40 percent distributed equally to all states and 60 percent distributed based on each state's relative share of the civilian labor force for the 12-month period ending September 2010 (see Attachment I for the table of state allocations).

Leveraging Opportunities with ETA Funded Programs

With the above-noted decrease in available funding for PY 2011 LMI/WI production, analysis, and dissemination, it is now even more important for state LMI/WI offices and research entities to continuously seek out and maintain collaborative relationships with a variety of internal and external program partners. Collaborative relationships, particularly when actualized using the partnership expectations discussed above, can help states access and leverage additional resources or new funding sources while still ensuring that data-driven analysis underpins all workforce investment programs and planning.

8. **State Certification of Required Grant Deliverables.** States must submit a grant Statement of Work (SOW) Certification (see Attachment IV) affirming that all five deliverables required by the grant SOW Guidelines (see Attachment III) will be accomplished during PY 2011. The certification must be signed by the governor, or by both the State Workforce Agency (SWA) administrator and the chairperson of the State Workforce Investment Board (SWIB). This annual SOW Certification meets OMB requirements for assuring that the LMI/WI program funds allocated to each state are used to support the development and production of the deliverables intended.

If circumstances prevent accomplishment of a specific grant deliverable during PY 2011, the state must negotiate a deferral with the ETA Regional Administrator including attaching as an addendum the reasons for delay and a proposed completion date. The ETA regional office will document planned grant activities and grant accomplishments in the state's grant file and those records will be made accessible, per 29 CFR 97.42(e)(1), for examination by ETA or other authorized Federal representatives.

9. **Accountability.** ETA will assess and document the effectiveness of grantee performance through the following approach:
 - a. **ETA Grant Reviews.** The ETA regional offices will conduct periodic reviews of states' progress towards meeting the PY 2011 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.** In 2005, ETA implemented common measures reporting and revised Wagner-Peyser and WIA program reporting requirements to include the provision of workforce information services (WIS) and the impact of those services on participant outcomes. State LMI offices and research entities should be aware that ETA captures and uses state reported data on the Entered Employment Rate, Employment Retention Rate after Six Months, and Earnings for participants following receipt of workforce information services as a performance indicator on workforce system use of LMI and WI to help job seekers secure and retain employment.

For PY 2011, ETA will continue to monitor the workforce system outcomes of participants who received workforce information services. State LMI/WI offices and research entities can benefit from helping their state Wagner-Peyser and WIA program providers better identify and better report on participants who received workforce information services.

- c. 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 completion.

States are encouraged to view and use the annual report grant deliverable as an opportunity to communicate to ETA. The report narrative should highlight overall program activities and 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 improvements are indicated. The narrative should also describe the creation and support of partnerships and collaborations during the program year along with any resulting tools or resources developed, and recommendations to ETA for changes and improvements to the required WI grant deliverables.

All state annual reports are reviewed for acceptance and approval by the ETA regional LMI/WI Federal Project Officers (FPOs). ETA expects the annual reports to be fully representative of the state's work, and consist of more than just a compilation of state workforce information products.

Interested parties may access PY 2009 and prior year WI annual reports at:
http://www.doleta.gov/Programs/2009ReportsAndPlans/eta_default.cfm.

Grantees must electronically submit the WI annual performance report as an accessible Section 508 compliant .pdf file to the appropriate ETA regional office 90 days following the end of the program year. As stated earlier, ETA will post the annual performance reports on the ETA Web site for state sharing and informing the system and public of overall WI grant program performance.

States should be aware that .pdf copies of all documents submitted to ETA for Web posting must 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 for more information.)

States unable to convert (or unsure of their ability to convert) their annual report and economic analyses grant deliverables to meet Section 508 .pdf accessibility standards should instead submit them to ETA in Microsoft (MS) Word or an equivalent text format. ETA will convert all forwarded state files to meet Federal accessibility standards prior to public posting.

10. **Consultation and Customer Satisfaction Assessment.** Section 15 of the Wagner-Peyser Act, as amended by WIA Section 309 (Pub. L. 105-220, 29 U.S.C. 49), requires states to consult with customers about the relevance of the labor market information disseminated through the state workforce information system. ETA interprets customers to include workforce and educational system stakeholders, business and regional economic development leadership within the state, and other strategic partners that foster workforce development. Consultation with the workforce investment system and other customers and information users provides the basis for formulating continuous improvement strategies for workforce information.

ETA does not prescribe an approach or methodology for conducting customer consultations. Methods can include focus groups, surveys, crowd sourcing and online feedback, Webinars, listening sessions, documented consultations, customer satisfaction assessments, or other methods considered appropriate by the state.

11. **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 5 of this guidance and must conform to the principles for "reasonable" and "allocable" costs as specified in OMB Circular A-87.

All data collection activities must conform to the 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.

In the conduct of LMI/WI information technology (IT) systems and applications, ETA recognizes that Web-based tools will be used for service delivery. Any IT system or application developed with WI grant funds must adhere to industry-standard, open architecture principles with documentation and software made available for use by other organizations for Federal government purposes.

12. **Publications and Other Information Products.** Grantees are required to submit .pdf copies or links to .pdf copies of required economic analyses, special workforce information, or economic studies (to meet deliverable 3) to the appropriate regional office 90 calendar days following the end of the program year. As with the annual reports, any state economic analyses, special workforce information, or economic studies submitted to meet WI program deliverable 3 must also meet Section 508 Web posting requirements.

States are encouraged to review the wide range and formats of the annual state economic analysis reports approved and posted by ETA since PY 2006. These reports are located at:

http://www.doleta.gov/Programs/2009ReportsAndPlans/eta_default.cfm.

Grantees are also requested to submit .pdf documents or links to .pdf copies of publications and other products produced with WI grant funding that are considered to be of special interest to the workforce investment system to the appropriate regional office.

Examples of products of special interest include 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 workforce system staff and customers.

13. **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, 2011 to June 30, 2012, 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, 2014.
14. **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.
15. **Financial Management and Reporting.** States should 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 ETA 9130 Financial 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 2011, or for any existing prior year fund balances, to the appropriate ETA regional office.

16. **Action Requested.** 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(s) and the SWIB;
 - b. Submit the original and two (2) copies of the PY 2011 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; and,
 - 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

17. **Inquiries.** Direct questions on the 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 Thomas Martin, Grant Officer, at (202) 693-2989.

18. **Attachments.**
 - I. State Allocations for PY 2011
 - II. Grant Procedures
 - III. Statement of Work Guidelines
 - IV. Statement of Work Certification
 - V. Annual Performance Report Instructions