

Enclosure V. State Veterans' Budget Plan Instructions

Forms, Documents and Narrative Requirements

I. The SF 424A, Budget Information – Non-Construction Programs will be submitted, completed in accordance with the form's instructions and the following additional guidance:

A. SF 424A Section A – Budget Summary: Column (a) should have from two to three “Grant Activity” entries, in the following order (item 3 – TAP – is an optional Grant Activity category – only included if applicable to the State's Veterans' Program grant operations):

Grant Activity:

- 1) “DVOP Activities” (for activities and specialists associated with the Disabled Veterans' Outreach Program)
- 2) “LVER Activities” (for activities and staff associated with the Local Veterans' Employment Representative program)
- 3) “Transition Assistance Program (TAP)” (if applicable -- See Veterans' Program Letter on TAP funding).

For the purposes of SF 424A Section A, and all other sections of the SF 424A, two general rules must be applied.

The first general rule is that, to avoid duplicate charges, the same cost entries cannot be recorded in more than one Grant Activity. For example, cost entries associated with DVOP hours spent on TAP workshops must be recorded only as “TAP” Grant Activity costs; the costs for those same hours must not be entered also as “DVOP Activities” Grant Activity costs.

The second general rule is that any costs to be charged to the State Veterans' Program grant, other than for the “TAP” Grant Activity, must be charged in association with either the “DVOP Activities” Grant Activity, or the “LVER Activities” Grant Activity. Chargeable costs not associated with the TAP Grant Activity, yet also not clearly identifiable as either only DVOP-related, or only LVER-related, should nevertheless be assigned to either the “DVOP Activities” Grant Activity costs, or to the “LVER Activities” Grant Activity costs, with the rationale for the assignment of such costs to be explained in the Veterans' Budget Plan (VBP) (see item II. B. 2. below).

For the first two rows in SF 424A Section A, the State Veterans' Program grant's “Catalog of Federal Domestic Assistance Number” (17.801 and 17.804, respectively) should be entered in column (b). If row # 3 (TAP) is relevant to a particular State, then the State should consult VETS' relevant guidance (via applicable Veterans' Program Letter or other sources) to determine the “Catalog of Federal Domestic Assistance Number” to be filled in for TAP. The “Estimated Unobligated Funds” columns ((c) and (d)), and column (f) (the “Non-Federal” column under “New or Revised Budget”), should each be left blank.

- B. SF 424A Section B -- Budget Categories: Columns (1) up to (3) should show, in order, each Grant Activity category listed in SF 424A Section A – Budget Summary. Sub-elements a. through k. under SF 424A Line #6 (Object Class Categories) should be completed as follows (for each applicable column and subsidiary line):

Line 6. a. Personnel: Provide salaries, wages, and overtime cost to be paid for DVOP/LVER personnel (Personal Services -- "PS"). *[In the TAP column only: DVOP/LVER PS cost associated with the hours spent on TAP workshop activities should be recorded on this line only in the corresponding TAP Grant Activity column, with explanation added in the Veterans' Budget Plan (VBP – see item II. B. 4. below). These PS costs for DVOP/LVER hours spent on TAP cannot also be recorded as PS costs in the "DVOP Activities" or "LVER Activities" columns (to avoid duplicate charges). Also, if State staff other than DVOP and LVER are utilized for TAP workshop activities, then the Other Staff's PS cost associated with hours spent on TAP may be included in this line in the TAP Grant Activity column, with explanation added in the VBP (see Item II. B. 1., below).]*

Line 6. b. Fringe Benefits: Indicate the amount of fringe benefits to be paid for DVOP/LVER personnel (Personnel Benefits -- "PB"). *[In the TAP column only: DVOP/LVER PB cost associated with the hours spent on TAP workshop activities should be recorded on this line only in the corresponding TAP Grant Activity column, with explanation added in the Veterans' Budget Plan (VBP – see item II. B. 4. below). These PB costs for DVOP/LVER hours spent on TAP cannot also be recorded as PB costs in the "DVOP Activities" or "LVER Activities" columns (to avoid duplicate charges). Also, if State staff other than DVOP and LVER are utilized for TAP workshop activities, then the Other Staff's PB cost associated with hours spent on TAP may be included in this line in the TAP Grant Activity column, with explanation added in the VBP (see Item II. B. 1., below).]*

Line 6. c. Travel: Indicate the amount requested for program related staff travel. *[In the TAP column only: DVOP/LVER travel cost associated with the hours spent on TAP workshop activities should be recorded on this line only in the corresponding TAP Grant Activity column, with explanation added in the Veterans' Budget Plan (VBP – see item II. B. 4. below). These travel costs for DVOP/LVER hours spent on TAP cannot also be recorded as travel costs in the "DVOP Activities" or "LVER Activities" columns (to avoid duplicate charges). Also, if State staff other than DVOP and LVER are utilized for TAP workshop activities, then the Other Staff's travel cost associated with hours spent on TAP may be included in this line in the TAP Grant Activity column, with explanation added in the VBP (see Item II. B. 1., below).]*

Line 6. d. Equipment: Describe and provide specifications of and justification for equipment purchases. Indicate the cost of non-expendable personal property that has a useful life of more than one year with a per-unit cost of \$5,000 or more.

Line 6. e. Supplies: Include the cost of consumable supplies and materials to be used during the project period (including but not limited to computers/laptops and other electrical/electronic equipment) with a per-unit cost of less than \$5,000.

Line 6. f. Contractual: Not applicable.

Line 6. g. Construction: Not applicable.

Line 6. h. Other: Indicate the sum of the separate amounts for:

(i) Program related staff training;

(ii) Performance Awards and Incentives (pursuant to 38 U.S.C. Section 4112 in accordance with the State Veterans' Services Plan). Funding for Performance Awards and Incentives will total up to one percent of the funds awarded, as shown in Enclosure I (Note: this "one percent" calculation will not take into account the funds allocated to the States for TAP and other exigencies):

- Performance Awards and Incentives can be awarded to individuals within three distinct categories of State employees – DVOP specialists only, LVER staff only, and individuals other than DVOP specialists or LVER staff. Performance Awards and Incentives costs should be tracked separately in these three employee categories, for separate documentation as described in item II. A. 4., below.
- However, the costs associated with Performance Awards and Incentives are only chargeable on line 6.h. of SF 424A under one or both of two columns: DVOP Activities, or LVER Activities. Therefore, the State should assign all Performance Awards and Incentives costs on SF 424A to either DVOP Activities, or LVER Activities, or some combination of these two activity areas. If Performance Awards and Incentives costs associated with awards to individuals other than DVOP specialists or LVER staff are included on SF 424A under DVOP Activities and/or LVER Activities, the rationale for the assignment of these costs to DVOP Activities and/or LVER Activities should be described in the Veterans' Budget Plan narrative (items II. B. 1. and II. B. 2., below). Even if the State cannot specify in advance of the grant period each employee category's planned share of the performance incentive awards cost pool, the State should nevertheless document all performance incentive awards costs in the DVOP Activities and/or LVER Activities columns on the SF 424A, describing the cost distribution in the Veterans' Budget Plan narrative;

(iii) Special Initiatives pursuant to the State Veterans' Services Plan, as authorized by the Assistant Secretary for Veterans' Employment and Training. Funding for any such authorized Special Initiatives may come from the total amount made available to all States based on exigent circumstances.

- Special Initiatives costs should be tracked separately in the “DVOP Activities” and “LVER Activities” categories, for separate documentation as described in item II. A. 5., below. The costs associated with Special Initiatives are only chargeable on line 6.h. of SF 424A under one or both of two columns: DVOP Activities, or LVER Activities. Therefore, the State should assign all Special Initiatives costs on SF 424A to either DVOP Activities, or LVER Activities, or some combination of these two activity areas.
- The rationale for the assignment of Special Initiatives costs to DVOP Activities and/or LVER Activities should be described in the Veterans’ Budget Plan narrative (items II. B. 1. and II. B. 2., below);

(iv) All other direct costs not clearly covered by lines 6a through 6g.

Line 6. i. Total, Direct Costs: Add lines 6a through 6h.

Line 6. j. Indirect Costs: Show the amount of indirect costs to be charged for the funding period. *[Indirect costs are chargeable to the applicable Grant Activity within the State Veterans’ Program grant in accordance with the indirect rate(s) and applicable allocation base(s) defined in the State’s State/Local Wide “Central Services Cost Allocation Plan(s) (CSCAP) &/or Indirect Cost Rate Proposal(s), as approved (under OMB Circular A-87) by the Cognizant Federal Agency — generally the U.S. Department of Labor’s Office of Cost Determination – that covers the State agency receiving the State Veterans’ Program grant. Indirect costs as so defined include*

(i) indirect costs originating in the State’s department &/or agency that carries out the State Veterans’ Program grant, and

(ii) costs of the State’s central governmental services, furnished to (but not directly billed to) the agency operating the State Veterans’ Program grant, that are identified under the CSCAP(s) &/or Indirect Cost Rate Proposal(s) as allocable to State Veterans’ Program grant even though not treated in those Plan(s)/Proposal(s) as direct costs.]

Line 6. k. TOTALS: Show total Federal Funds Requested (sum of lines 6i and 6j).

Line 7 (“Program Income”) should be left blank.

- C. Section C – Non-Federal Resources: Leave this section blank.
- D. Section D – Forecasted Cash Needs: Leave line 14 (“Non-Federal”) blank.
- E. Section E – Budget Estimates of Federal Funds Needed For Balance of the Project: Leave this section blank.

F. Section F – Other Budget Information:

Line 21 should be left blank.

Line 22: SF 424A's instructions should be followed; then, if more than one indirect cost rate will be in effect during the grant period, a separate schedule should also be attached showing each different indirect cost rate; the base against which each rate will be applied; the calendar period each rate will be in effect; and the estimated total indirect charges for each of the different indirect cost rate calendar periods.

Line 23: The “Remarks” applicable to line 23 will be in the form of a Veterans' Budget Plan (VBP) (described in section II., below), which should accompany and reference the SF 424A.

II. A State Veterans' Budget Plan Narrative will be submitted (which may, at the State's option, be presented as part of the Transmittal Letter described in Section V. D. 1. of this VPL, and may be incorporated into the Unified Plan under the WIA). The narrative will present background narrative and cost data specified by the following guidance (pursuant to Title 38, U.S. Code, Section 4102A(b)(5) and (c)):

A. Budget Data by Quarters:

The narrative should depict additional “backup” detail regarding the Fiscal Year (FY) Budget Information provided for each Grant Activity in Sections A and B of the SF 424A, by showing each Grant Activity's budget for each of the four FY quarters. In doing so, each successive quarter's budget is to be depicted for that quarter only. The Budget “backup” Data to be projected by quarters is described in the following list, and may be submitted in any formats.

[NOTE: Optional, non-compulsory Microsoft Excel spreadsheet formats for displaying this budget backup information -- as depicted below on Enclosure V's pages 9 through 13 -- are available electronically via Internet download from the National Veterans' Training Institute (NVTI) website (see the Excel workbook file “Standard Form 424a (SF 424a) Ready for Data Entry” on the “Standard Forms” webpage listed in the menu of choices found at <http://nvti.cudenver.edu/Implementation/Default.htm>). If the optional Excel formats are used by the State for projecting this required budget backup data, the completed Excel file containing the State's backup data should be submitted in accordance with the time requirements specified in this VPL's Section VII “Actions Required.” This submission should be done electronically via email attachment, addressed to Miguel Hernandez in VETS' National Office at the following email address: Hernandez.Miguel@dol.gov]

The information on each grant activity to be provided is as follows:

1. “DVOP Activities”:
 - a. Planned quarterly budget amounts for each FY quarter, for every relevant Object Class Category in SF 424A’s lines 6.a. through 6.k., column (1);
 - b. Planned number of Full-Time Equivalent (FTE) positions directly charged for DVOP Full-time specialists (equals the number of non-overtime hours paid to Full-time DVOP specialists, divided by 2,080). Note that one FTE position is equal to one Full-time DVOP work year or 2,080 non-overtime DVOP hours;
 - c. Planned number of FTE positions directly charged for DVOP Half-time specialists (equals the number of non-overtime hours paid to Half-time DVOP specialists, divided by 2,080). Note that two Half-time DVOP specialists working a full year (1,040 hours each) equates to one FTE;

2. “LVER Activities”:
 - a. Planned quarterly budget amounts for each FY quarter, for every relevant Object Class Category in SF 424A’s lines 6.a. through 6.k., column (2);
 - b. Planned number of Full-Time Equivalent (FTE) positions directly charged for LVER Full-time staff (equals the number of non-overtime hours paid to Full-time LVER staff, divided by 2,080). Note that one FTE position is equal to one Full-time LVER work year or 2,080 non-overtime LVER hours;
 - c. Planned number of FTE positions directly charged for LVER Half-time staff (equals the number of non-overtime hours paid to Half-time LVER staff, divided by 2,080). Note that two Half-time LVER staff working a full year (1,040 hours each) equates to one FTE;

3. “Transition Assistance Program (TAP)”, as applicable:
 - a. Planned quarterly budget amounts for each FY quarter, for every relevant Object Class Category in SF 424A’s lines 6.a. through 6.k., column (4);
 - b. Planned number of TAP workshops;
 - c. Planned number of DVOP hours associated with TAP workshop activity (not to exceed 24 hours per workshop);
 - d. Planned number of LVER hours associated with TAP workshop activity (not to exceed 24 hours per workshop);
 - e. Planned number of Other State Staff hours associated with TAP workshop activity (not to exceed 24 hours per workshop);

- f. Planned total hours associated with TAP workshops (not to exceed 24 hours per workshop);
4. Performance Awards and Incentives, as applicable (pursuant to 38 U.S.C. Section 4112, and in accordance with the State Veterans' Program Plan narrative). From the line 6.h., column (5) Total for "Other" costs, extract the subtotal for Performance Awards and Incentives, and show:
- a. Planned quarterly budget amounts for Performance Awards and Incentives associated with DVOP specialists only (if these budget subtotals can be projected);
 - b. Planned quarterly budget amounts for Performance Awards and Incentives associated with LVER staff only (if these budget subtotals can be projected);
 - c. Planned quarterly budget amounts for Performance Awards and Incentives associated with all individuals other than DVOP specialists only or LVER staff only (if these budget subtotals can be projected);
 - d. Planned quarterly budget amount totals for Performance Awards and Incentives (the total planned for each quarter must be shown, even if the separate subtotals (subitems 4a. thru 4c., above) are not shown).
5. "Special Initiatives", as applicable: From the line 6.h., column (5) Total for "Other" costs, extract the subtotal for Special Initiatives (as described in item I. B. Line 6.h. (iii), above), and show:
- a. Planned quarterly budget amounts for Special Initiatives associated with "DVOP Activities";
 - b. Planned quarterly budget amounts for Special Initiatives associated with "LVER Activities";
 - c. Planned quarterly budget amount totals for Special Initiatives (equals the sum of subitems 5a. and 5b., above).
- B. Description of State Veterans' Program Grant Funds' Uses: The budget plan narrative should detail the intended uses of the State Veterans' Program grant funds, and clarify other aspects of planned grant operations not already explained in the narrative program plan described pursuant to Enclosure IV – State Veterans' Program Plan Instructions. This should include, at a minimum, the following:

1. Description of the use (and amount) of any of these funds that will not be used to staff DVOP or LVER positions As part of this description, the narrative should specify any types of non-DVOP/LVER staff to be supported by these funds, and should also discuss the locations and number of hours such non-DVOP/LVER staff will perform activities funded by this grant, for such activities as:
 - a. Workshop sessions at Transition Assistance Program (TAP) sites; or
 - b. Special Initiatives.
 2. Description of the rationale for the assignment of costs to the “DVOP Activities” or “LVER Activities” Grant Activity categories, when the assigned costs are not otherwise clearly identifiable as associated with DVOP or with LVER;
 3. Description of the use (and amount) of any of these funds for any Special Initiatives activities the State might propose (as described in the State Veterans’ Program and Budget Plan narratives) to enhance DVOP and/or LVER services;
 4. Description of the use (and amount) of any of these funds for TAP workshop activities;
 5. Description of the use (and amount) of any of these funds for program or staff training;
 6. Description of the use (and amount) of any of these funds for program or staff travel;
 7. A listing of the object class cost categories, as enumerated in the State’s own accounting system, that are included as direct costs other than Personal Services (PS) and Personnel Benefits (PB) associated with the grant (i.e., all object classes which comprise the amounts shown on SF 424A, lines 6.c. through 6. h.). Along with this listing the following related information should be provided:
 - a. Rationale for including these costs as direct charges under this grant;
 - b. A copy of the State’s State/Local Wide “Central Services Cost Allocation Plan(s)” (CSCAP) &/or Indirect Cost Rate Proposal(s) applicable during the grant period, as approved (under OMB Circular A-87) by the Cognizant Federal Agency (generally the U.S. Department of Labor’s Office of Cost Determination) that covers the State agency receiving the State Veterans’ Program grant; and,
 - c. A description of how the total costs represented in SF 424A lines 6.c. through 6. h. compares with the direct costs other than PS & PB associated with other grants received from the Department of Labor;
- C. Assurances that performance standards and incentives are being used during this grant period funded by these grant funds;
- D. Description of the annual agreements with other service providers, financial or otherwise, for direct services or to coordinate services to be delivered to veterans, transitioning service members or other eligible persons.

Pages 9-13 of Enclosure V (SF 424A Line 23 and SF 269 Worksheets) continue in a separate file