

Enclosure VII.

SPECIAL GRANT PROVISIONS

October 1, 2001 - September 30, 2005
Revised December 31, 2002

SPECIAL GRANT PROVISIONS

I. GRANT AMOUNT

- A. The total amount of funds approved for this grant is allocated to the Disabled Veterans = Outreach Program (DVOP) and the Local Veterans = Employment Representative (LVER) through incremental funding annually as follows:

Fiscal Year: 2003

DVOP	\$
LVER	\$

- B. Availability of Fiscal Year (**FY 2003**) funds is subject to: (1) Congressional action on the United States Department of Labor (USDOL) appropriation; and (2) an approved State Fiscal Operating Plan (SFOP) for **FY 2003**. Allowable costs may be incurred only up to the limit of the most recent Notification of Obligation Authority to the grantee.
- C. Title 38, United States Code (U.S.C.) requires that funds used to operate the programs be separately identified. Therefore, costs attributable to a specific program (DVOP or LVER) may be charged only to the funds available to that respective program. According to the appropriations act, except to correct mischarges, neither costs nor funds may be moved between the two programs or to any other program operated by the grantee. In the event the grantee incurs costs for either program in excess of the amount available for that program, such excess will be borne by the grantee. Funds available will be expended in accordance with the approved "DVOP/LVER SFOP."
- D. Should the funds awarded be considered insufficient to maintain approved staffing levels, the grantee will staff the maximum number supportable, as directed by the Assistant Secretary of Labor for Veterans = Employment and Training (ASVET).

II. SCOPE: (STATEMENT OF WORK)

The grantee is to provide direct employment and training-related services and provide supportive services for veterans as required under Title 38, U.S.C., Chapter 41, and as required through the DVOP and the LVER programs and as set forth in this statement of work or through guidance issued by the ASVET. Performance of this effort will be in accordance with the grantee's application and all other terms and conditions of this grant, applicable statutes and regulations, and ASVET policy directives.

A. PROGRAM REQUIREMENTS FOR DVOP

1. DVOP Specialists are assigned or appointed in consultation with the Director for Veterans = Employment and Training (DVET), USDOL.

SPECIAL GRANT PROVISIONS

2. DVOP Specialists must be qualified service-connected disabled veterans. Exceptions to this policy can only be approved by the ASVET. DVOP Specialists are appointed as permanent full time employees, pending successful completion of any required probationary period, are compensated at rates comparable to those paid other professionals performing essentially similar duties, and are affected by State reductions-in-force (retention and recall), only under the circumstances that were first described by the ASVET in Veterans' Program Letter (VPL) 10-89; as summarized below based upon congressional intent published prior to passage of P.L. 100-323, May 20, 1988:

In a reduction-in-force (RIF), full-time employees duly appointed by a State merit/civil service system in DVOP Specialist positions can only be displaced by more senior employees of the same or higher veterans= priority group. If qualified, such senior individuals may assume the DVOP Specialist positions following consultation with the DVET.

3. DVOP Specialists are appointed as individual full-time staff in addition to, and do not supplant the duties of the LVER staff in Service Delivery Points (SDPs) or other offices fulfilling the public Labor Exchange Delivery System (LEDS) function. Further, the assignment of an LVER or DVOP Specialist to an office does not relieve the SDP of their requirement to provide priority services to veterans (38 U.S.C. 4103A (a)(2); 4104 (a)(2)(B)).

The SDP at which the DVOP Specialist is located will screen veterans as they do other applicants to determine their level of need and whether the DVOP Specialist is the most appropriate professional to provide the desired assistance. This needs-based approach is designed to screen for those disadvantaged veterans who are in most need of facilitated (staff assisted) or intensive labor-exchange services provided for the office by the DVOP Specialist using a case management approach to the delivery of services.

4. By law, DVOP Specialists serve only eligible veterans who have served at least 180 days on active military duty or as otherwise defined as eligible in 38 U.S.C. 4101 or 4211(4). In accordance with those definitions, those individuals who served less than 180 days on active duty but were Federally-activated reservists who are campaign badge or expeditionary medal recipients, individuals separated due to a service-connected disability (P.L. 102-127); or spouses of detained, missing or certain deceased disabled veterans may also be served.

For DVOP, priority will be provided to the target groups identified at 38 U.S.C. 4103A (B), or in the SGA (as indicated by the ASVET and authorized at 38 U.S.C 4103A(b)(1)(C)) or through a VPL; and as per 38 U.S.C. 4103A Amaximum emphasis shall be placed on assisting economically or educationally disadvantaged veterans@ using the disadvantaged criteria developed in each

SPECIAL GRANT PROVISIONS

local area. DVOP specialists will be assigned in accordance with the provisions of 38, U.S.C., 4103A(a) and (b), and be assigned the duties identified at 38 U.S.C. 4103A(c) or as interpreted and directed by the Assistant Secretary.

5. The case management approach to the delivery of intensive, client-centered, mediated services offers the maximum employment potential for target veterans = populations identified by the ASVET and with the priorities set under the Workforce Investment Act (WIA, section 168) of 1998 as veterans with service-connected disabilities, wartime or campaign badge and/or expeditionary medal recipients, or veterans who have significant barriers to employment. The ASVET has on a National level identified in accordance with 38 U.S.C. 4103A (b)(1)(C) the groups who present barriers in addition to those already mentioned above to include but not be limited to veterans who are minority, female, homeless, or recently separated veterans, **transitioning military service members within 12 months of separation or 24 months before retirement**, and educationally or economically disadvantaged (as determined using applicable local criteria). It is recognized that additional eligible veterans not identified above may be locally identified as presenting barriers to local labor force participation.

The intent of **the case management approach** is to maximize the successful completion, by these eligible veterans, in Federally-funded training programs (*e.g.*, VA vocational rehabilitation, WIA funded training for which they qualify).

DVOP Specialists, who received case management training through the National Veterans = Training Institute (NVTI), must apply the case management approach when serving these and other special needs veterans who meet one or more of the definitions for DVOP services (38 U.S.C. 4101, 4211). New employees should be scheduled for NVTI core training and case management training as soon as feasible.

The SDP point will screen veterans as they do other applicants to determine their level of need and whether the LVER is the most appropriate individual to provide the desired assistance.

This needs-based approach is designed to screen for those veterans who either specifically ask to see the DVOP Specialist, are among the population targeted by the ASVET for intensive services (see II.A.4.) and who lack permanent employment, or who are otherwise in need of the type of case management services being provided for veterans by the DVOP specialist as locally determined, within statutory constraints.

6. DVOP specialists should be assigned to locations and fulfill duties that best ensure that they serve only (except in the case of TAP facilitation) veterans and other eligible persons, exclusively. In accordance with 38 U.S.C. 4103A(b)(2),

SPECIAL GRANT PROVISIONS

one-fourth (25%) of the collective DVOP Specialists= weekly time allocated to a State is designated for work locations other than in the office to which they are primarily assigned, unless a written waiver approval is in effect provided by the ASVET through the Regional Administrator for Veterans= Employment and Training (RAVET). A waiver approval, generally in the form of a letter from the RAVET or a signed grant award document, allows the number of staff with out-stationed responsibilities to be 20% of the aggregate weekly work hours rather than in terms of percentages of individuals assigned. The purpose of the out-station requirement is to extend the availability of client-assisted services beyond the institutional offices of the job service or the new One-Stop centers authorized under the WIA.

Such DVOP staff are stationed in productive work locations established by National and Statewide agreements with the Department of Veterans Affairs (VA) to include centers which provide vocational rehabilitation and employment (VR&E) primarily, veterans' assistance offices, VA Vet Centers, and/or other sites as may be determined to be appropriate based upon demonstrated need following consultation with and approval of the DVET and consultation with the appropriate representatives from the VA.

VPL 7-95, issued September 1, 1995, provided policy and guidance for the implementation of a Memorandum of Understanding (MOU) between the VA=s VR&E and USDOL/VETS. DVOP Specialists must be actively engaged in efforts to ensure the successful implementation of MOU and VPL provisions at the local level. Identifying, referring, tracking, providing case management services and intensive individualized job development for VR&E clients by DVOP Specialists are vital to this initiative.

The VA must first agree that all potentially productive VA sites are fully staffed before DVOP Specialists can be assigned to other sites. A written letter of agreement from an authorized VA official or a statement reflecting VA concurrence in the DVETs memorandum transmitting the **State Workforce Agency's** (SWA=s) grant request to the RAVET is sufficient to permit additional non-VA site assignments. Such non-VA sites at which DVOP Specialists may be stationed include, but are not limited to:

- a. Transition Assistance Program (TAP) sites, military hospitals, and other military installations that separate active military personnel. Based upon USDOL/Department of Defense (DOD)/VA agreement and Veterans' and Disabled Veterans' Transition Assistance Program (DTAP) requirements, DVOP Specialists are also authorized by law (P.L. 101-510) **to assist and furnish employment and training information and vocational guidance services to members of the Armed Forces and their spouses who are within 12 months of separation or within 24 months of retirement.**

SPECIAL GRANT PROVISIONS

In States where a sufficient number of TAP sites and potential workload exist, up to 5 percent of DVOP/LVER staff time must be charged to fulfill this commitment. In States where more than 5 percent aggregate time charges will be necessary, due to the size and number of the TAP programs offered, DVETs shall be consulted to determine if additional DVOP/LVER resources that exceed 5 percent will have an impact on the provision of services to veterans and other eligible persons in that State.

DVETs may make recommendations to the National Office for TAP contractor supplementation if the 5 percent level is exceeded.

RAVETs will not waive the 25% DVOP outstation requirements in those States where DVOP and LVER staff are not fully utilized to provide and facilitate TAP workshops when a level of need has been identified to the DVET.

- b. Project locations providing services to homeless veterans.
 - c. State or County Veterans' Service offices; Local government offices (Town Halls or Libraries with suitable office facilities).
 - d. Education/College Career Transition Centers with veterans= coordinators/offices and Non-profit community-based organization offices established to provide services to veterans.
7. Explanations must be provided by the grantee to the RAVET through the DVET for any DVOP Specialist vacancies that remain unfilled after **sixty** (60) calendar days. Recognizing States= merit systems, test and selection procedures and union rules may require a longer period to fill vacancies, States are encouraged to anticipate vacancies, to the extent possible, and initiate actions to minimize the disruption of services to veterans. The RAVET will determine if any remedial actions will be required based upon the grantee=s justification. DVOP Specialist vacancies may result in the loss of those funds which would have been expended if the position had been filled during that time.
8. Grantees will be required to fill the number of positions stated on the approved SFOP unless funds received from the grantor are not sufficient to support the approved level.
9. The grantee must develop and apply standards for statewide services to veterans in accordance with Title 38, 4104A, and as described by the most

recently issued VPL on this subject with DVET consultation and negotiation. **The set of individual roles and responsibilities for DVOP specialists provided through VPL 11-02, dated September 16, 2002** may be used by the grantee to set individual performance standards for each DVOP Specialist, in consultation with the DVET. The DVET will be available as needed to provide technical assistance during the development and application process.

10. In accordance with 38 U.S.C. Section 4102A (b) (5), the ASVET makes available for use in each State, directly or by grant or contract, such funds as may be necessary.... to support the reasonable expenses of such specialists and representatives [DVOP/LVER] for training, travel, supplies, and fringe benefits, including travel expenses and per diem for attendance at the National Veterans = Employment and Training Services Institute [NVTI] established under 4109 of this Title;@

Federal, not State funds, are provided in this grant for DVOP/LVER in-State travel. In addition, the NVTI provides funds to cover DVOP/LVER staff travel for attendance at NVTI. Funds provided for staff capacity building through attendance at the NVTI will be used by NVTI to cover travel and scheduled training, including lodging and per diem for staff identified for training.

The State and the DVET however may determine that NVTI contract trainers can provide or facilitate the provision (train-the-trainer) of off-site training more efficiently within the State. SWA administrators are urged to seek necessary State approvals for DVOP/LVER in-state and out of state travel.

11. Acknowledging that line supervision occurs only at the local, SDP level, the SWA/Grantee must recognize the importance of direct communication (not direction) between the DVOP/ LVER staff and the DVET and must not inhibit any communication necessary to fulfill the role required of the DVET at 38 U.S.C. 4103; any program-related communication including USERRA or FCP discrimination matter on behalf of a veteran or eligible person, or in the course of an SDP evaluation.

B. PROGRAM REQUIREMENTS FOR LVER

1. The supportable number of Local Veterans' Employment Representatives (LVER) from the allocation approved for a State (see 38 U.S.C. 4104 (a)) are to be assigned to local employment service offices (LESOs) as per 38 U.S.C. 4104 (b) based upon the following criteria, so As nearly as practicable@:

SPECIAL GRANT PROVISIONS

- a. Each service delivery point or local office which had at least 1,100 eligible veterans and other eligible persons registered for assistance in the previous Program Year will have one full-time LVER assigned;
 - b. One additional full-time (not half-time) LVER is assigned for each 1,500 eligible veterans and eligible persons registered above 1,100; and
 - c. One half-time LVER is assigned to each service delivery point or local office at which at least 350 but less than 1,100 eligible veterans and eligible persons registered for assistance.
2. Full-time and half-time LVER staff are assigned or appointed only after consultation with the DVET and in the below order of preference (see VPL 10-89):
- a. Qualified service-connected disabled veterans;
 - b. Qualified eligible veterans; and then
 - c. Qualified eligible persons (38 U.S.C. 4101 (5)).
3. The LVER positions are assigned in addition to and do not supplant any Disabled Veterans' Outreach Program Specialist (DVOP) positions assigned. Full-time LVER staff should be assigned to locations and fulfill duties that best ensure that they serve only (except in the case of TAP facilitation) eligible veterans and other eligible persons, exclusively (see 38 U.S.C. 4101 and 4211(4)). By law, full-time LVER staff serve only eligible veterans, who have served at least 180 days on active military duty or as otherwise defined as eligible in 38 U.S.C. 4101 or 4211(4). In accordance with those definitions, those individuals who served less than 180 days on active duty but were Federally-activated reservists who are campaign badge or expeditionary medal recipients, individuals separated due to a service-connected disability; or spouses of detained, missing or certain deceased disabled veterans may also be served.

The SDP point will screen veterans as they do other applicants to determine their level of need and whether the LVER is the most appropriate individual to provide the desired assistance.

This needs-based approach is designed to screen for those veterans who either specifically ask to see the LVER, are among the population targeted by the ASVET for intensive services (see II.A.4.) and who lack permanent employment, or who are otherwise in need of the type of case management services being provided for veterans by the LVER as locally determined.

SPECIAL GRANT PROVISIONS

4. The Grantee must require the head of each service delivery point at which federally-funded public labor exchange occurs, regardless of the assignment of any LVER, to be responsible for ensuring compliance with all grant provisions and to provide the required priority service to veterans and priority of referral of qualified and eligible veterans with priority to special disabled, Vietnam era and other wartime veterans, campaign badge or expeditionary medal recipients to federal contractors at no cost to this grant (38 U.S.C. 4104 (a) (2)(B)).

5. Grantees will be required to fill the number of positions stated on the approved SFOP unless funds received from the grantor are not sufficient to support the approved level.

6. The Grantee must provide an explanation to the RAVET, through the DVET, for any LVER staff vacancies that remain unfilled after **sixty (60)** calendar days. Recognizing States= merit systems, test and selection procedures and union rules may require a longer period to fill full-time LVER vacancies, States are encouraged to anticipate vacancies, to the extent possible, and initiate actions to minimize the disruption of services to veterans. The RAVET will determine if any remedial actions will be recommended based upon the grantees justification. Extended LVER staff vacancies may result in the loss of those funds that would have been expended if the position had been filled during that time.

7. In a RIF, full-time employees duly appointed to a State merit/civil service system LVER title can only be displaced by more senior employees of the same or higher veterans= priority group, as provided in paragraph B. 2; above. If qualified, that individual may assume the LVER position only after consultation with the DVET. However, whenever an individual who was assigned LVER duties on a full-time or half-time basis without the distinct civil service title is displaced in a RIF or similar action, the LVER position immediately becomes vacant.

The displacing individual does not necessarily become the designated LVER. The SWA should follow its established posting or recruiting process for filling any vacant LVER position until a qualified current or newly hired employee of the highest possible veterans= preference level is selected, following DVET consultation. New employees should be scheduled for NVTI core training and case management training as soon as feasible.

8. **LVER staff are assigned to perform only those duties as prescribed in 38 U.S.C. 4104 (b) and as further defined in VPL 11-02, dated September 16, 2002.**

SPECIAL GRANT PROVISIONS

9. LVER staff may be assigned to provide service at TAP/DTAP sites. The LVER may furnish employment and training information and services at TAP/DTAP locations to members of the Armed Forces and their spouses **who are within 12 months of separation or within 24 months of retirement from the armed forces.** In States where a sufficient number of TAP sites and potential workload exist, up to 5 percent of DVOP/LVER staff time must be charged to fulfill this commitment. In States where more than 5 percent aggregate time charges will be necessary, due to the size and number of the TAP programs offered, DVETs shall be consulted to determine if additional DVOP/LVER resources that exceed 5 percent will have an impact on the provision of services to veterans and other eligible persons in that State.

DVETs may make recommendations to the National Office for TAP contractor supplementation if the 5 percent level is exceeded.

10. **In accordance with a recent policy decision (Grant Officer approval letter dated 10-29-02) one full-time paid LVER position may be assigned to the central office to provide additional support in the coordination of the State's veteran's programs. Assignment of additional LVER staff to the central office requires an exception to policy and must be approved by the ASVET. Any requests for exemption must be submitted through the DVET, and must demonstrate in detail how additional LVER staff assigned to the central office will enhance services to veterans; improve performance outcomes; and increase veteran entered employment rates. The ASVET may, at any time, rescind approval based on the State's programmatic and fiscal performance.**

While DVOP and LVER staff continue to receive direct, line supervision from local management, such LVER positions will provide at the statewide level those responsibilities that are applicable and beneficial to the support of DVOP/LVER staff resources. Such activities should include at a minimum:

- a. Identifying DVOP/LVER staff training need and the means to satisfy those needs;
- b. LVER Quarterly Report reviews, including analysis of Statewide activities (successes and perceived barriers to effective service delivery) and activity reports;
- c. Statewide oversight of the identification and maintenance of the statewide federal contractor database using the best available technology and software tools supplied by VETS; and

SPECIAL GRANT PROVISIONS

- d. Assisting management to effect resolution to problem areas identified by local assessments or evaluations of services to veterans and efficiencies evident in performance standards in accordance with 20 CFR 1001.

- 11. VPL 7-95, issued September 1, 1995, provided policy and guidance for the implementation of an MOU between the VA=s VR&E and USDOL/VETS. LVER staff must be actively engaged in efforts to ensure the successful implementation of the provisions of the VPL at the local level. LVER staff identify, refer, track, and provide case management services and intensive individualized job development for VR&E clients.

- 12. In accordance with 38 U.S.C. Section 4102A (b) (5), the ASVET makes Available for use in each State, directly or by grant or contract, such funds as may be necessary.... to support the reasonable expenses of such specialists and representatives [DVOP/LVER] for training, travel, supplies, and fringe benefits, including travel expenses and per diem for attendance at the National Veterans= Employment and Training Services Institute [NVTI] established under 4109 of this Title;@

SWAs are urged to help State executives and legislators to recognize that Federal, not State funds, are provided in this grant for DVOP/LVER in-State travel. In addition, the NVTI is provided funds and will cover DVOP/LVER staff transportation for attendance at NVTI-based training to improve the quality of services offered to the State=s veterans. The State=s Treasury recognizes no significant saving through out-of-State restrictions imposed on DVOP or LVER travel. Funds provided for staff capacity building through attendance at the NVTI will be used by NVTI to cover travel and scheduled training, including lodging and per diem for staff identified for training, unless the State and the DVET determine that NVTI contract trainers can provide or facilitate the provision (train-the-trainer) off-site training more efficiently within the State. The grantee should seek to have any necessary State approvals for out-of-State travel granted in time for the DVOP and LVER to travel to NVTI.

- 13. Acknowledging that line supervision occurs only at the local, SDP level, the SWA/Grantee must recognize the importance of direct communication (not direction) between the DVOP/ LVER staff and the DVET and must not inhibit any communication necessary to fulfill the role required of the DVET at 38 U.S.C. 4103. This includes, but is not limited to, any program-related communication such as USERRA or FCP discrimination matters on behalf of a veteran or eligible person, or communication during any review of the SDP.

- 14. The grantee must develop and apply standards for statewide services to veterans in accordance with Title 38, 4104A, and **as described by VPL 11-02 dated September 16, 2002. The set of individual roles and**

responsibilities for DVOP specialists provided through VPL 11-02 may be used by the grantee to set individual performance standards for each DVOP Specialist, in consultation with the DVET. During the grant period, the DVET will monitor the development and application of such standards.

III. STATUTORY REQUIREMENTS FOR SERVICE PRIORITIES

COMPLIANCE WITH TITLE 38, UNITED STATES CODE (U.S.C.)

As recipient of funds provided under Title 38, U.S.C., compliance must be maintained with all applicable statutory provisions and regulations under Chapter 41 and 42, section 112 of the Workforce Investment Act (WIA). Also, in accordance with the current language in 20 CFR 1001.120, the Grantee must ensure that all of its Service Delivery Points (SDPs) provide priority services to disabled veterans and veterans of the Vietnam-era in the provision of ALL labor exchange services and specifically, when making referrals to job openings and training opportunities, shall observe the following order of priority:

1. Special disabled veterans;
2. Vietnam-Era Veterans;
3. Disabled veterans other than special disabled veterans;
4. All other veterans and eligible persons; and
5. Non-veterans.

IV. PAYMENTS UNDER THE GRANT

Advances/reimbursements will be made by the U.S. Department of Health and Human Services Payment Management System (HHS/PMS) via personal computer with SMARTLINK capability. Although payments will be made against a single HHS account, the amount of funds requested for each program must be specified and requested separately for DVOP and LVER.

When approved, funds will be transferred electronically to the State's financial institution as arranged with HHS. A revised direct deposit form must be submitted whenever there are changes in financial institutions and/or approved signatures.

NOTE: Payments may be delayed or withheld if States fail to submit timely financial reports, if vacancies remain unfilled without adequate justification, or if excessive administrative overhead charges remain unexplained or are inadequately justified to the RAVET in accordance with Section V.B. of these provisions.

- A. The amounts requested (separately) must be based on actual, immediate cash needs in order to minimize Federal cash on hand in accordance with policies established in 31 CFR Part 205, (Treasury Department Circular 1075.)

SPECIAL GRANT PROVISIONS

- B. The timing and amount of advances must be as close as is administratively feasible to actual disbursements by the grantee for all direct and allowable indirect program costs.
- C. The HHS/PMS will not permit draw downs which exceed the amounts shown on the quarterly Notice of Obligation Authority (NOA). If, after the recapture of funds, the State has drawn down an amount greater than the most recent NOA, then the amount will be subject to penalty interest upon repayment of the amount established by the USDOL. Draw down amounts will in no case exceed the amounts shown on the most recent NOA.
- D. Under no circumstances may an applicant draw down funds prior to the receipt of a signed Notification of Obligation Authority (NOA) issued by the appropriate RAVET. Additionally, attempts to draw down funds must not be made prior to the first day of each fiscal year quarter during the grant period for which funds are made available through an NOA.
- E. The grantee will report quarterly all funds received through SMARTLINK transfer for advance or reimbursement separately for DVOP and for LVER on an HHS/PMS 272, Federal Cash Transactions Report (see VII. B.1., below). This form must be completed and submitted electronically or as directed, quarterly before further drawdowns can take place.

NOTE: Only assigned DVOP and LVER staff may charge Personal Services (PS) or Personnel Benefits (PB) against the grant funds.

V. REPORTING REQUIREMENTS(20 CFR 1001.122(B) AND 1001.140 – OMB APPROVAL NUMBER 1205-0240).

As a condition for accepting DVOP/LVER funds States are required to report the following, in addition to any summary reports required under the Workforce Investment Act of 1988 (P.L. 105-220):

NOTE: As per 20 CFR Section 658.601 (7) (d), State Administrator(s) must ensure to the maximum extent feasible, the accuracy of data entered by the State agency into required management information systems. Each State agency must also establish and maintain a data validation system which permits the responsible official to verify to the GOTR that the data being reported accurately reflects the activities accomplished and actual expenditures.

A. **IDENTIFICATION**

All reports and related correspondence must be identified by State and applicable federal grant number (e.g., E-9-5-3-50xx) as it appears on the Notice of Grant Award. Financial documents must also bear the DVOP and/or LVER Document Control number assigned to the State by the RAVET.

B. FINANCIAL STATUS REPORTS

1. The grantee must report on a quarterly basis all payments received under these grants through submission of HHS/PMS 272, Federal Cash Transaction Report, (OMB Approved 0990-0078) separately prepared for DVOP and for LVER. An electronic copy of the form must be completed and submitted to HHS or an original HHS/PMS 272 must be signed dated and returned to the following address, with a copy to the DVET within fifteen (15) days of receipt from HHS:

Department of Health and Human Services
Division of Federal Assistance Financing
P.O. Box 6021
Rockville, MD 20852

2. Separate VETS 300 Cost Accounting Reports (OMB Approval No. 1293-009) for the DVOP and LVER programs must be submitted to the DVET and the Grant Officer quarterly not later than **forty-five** calendar days after the end of each federal fiscal year quarter reporting period.

- a. Each VETS 300 report must be submitted to the DVET and shall include a cover memorandum which contains an analysis and explanation of the following:

- 1) Any downward deviations from the most recently Grant Officer approved planned ratio of Personal Services (PS)+Personnel Benefits (PB) to total costs and the resultant percentage of PS+PB to total actual expenditures must be clearly explained in a narrative describing the analysis of or comments relating to the VETS 300 report(s) or as part of the Technical Performance Narrative Summary Report described below. (See Section V.C.5.a..7.)

The specific cause for the variance from the approved (State planned) rate must be identified and the cause of the adverse fiscal impact on the planned ratio must be evident in documentation to be submitted with this report. Failure to comply may result in recapture of an equivalent amount of funds. For example, if the approved percentage of PS+PB to total planned cost for a particular DVOP or LVER quarter (on line 6, approved SFOP) is 78 percent, the State is required to provide justification for actual PS+PB costs that are less than 78% of their total obligations.

SPECIAL GRANT PROVISIONS

- 2) Total grant obligations in either program that deviates from the quarterly planned obligations by more than + or - ten percent (10%), including corrective actions taken toward compliance with the State's spending plan.
 - 3) Any unobligated funds at the end of each quarter are subject to recapture in accordance with the instructions in the SGA. (See also provision VII. D.)
- b. Data for the VETS 300 Report may be drawn from Cost Accounting System (CAS) Report 61 or Financial Accounting and Reporting System (FARS) General Accounting Report 15 (GA-15) or other equivalent reports; however, only the approved VETS 300 format or facsimiles (identical data fields) shall be used.
 - c. The VETS 300 Report for DVOP and for LVER submitted by the grantee must be in the detail and format indicated in the grant application instructions or as required by the most current Veterans' Program Letter on this subject. The Obligation Plan Cumulative (CUM) column must contain planned or adjusted amounts.

NOTE: The Obligation Plan column and the Total Appropriation Status line must be adjusted quarterly to reflect the difference between the approved plan and most recent NOA.

- d. Continuous delinquencies in reporting or unexplained or inadequately justified fiscal variances (e.g. administrative overhead cost overruns) may result in recommendations for adverse actions, such as denials or delays in the electronic transfers of funds, pending receipt of an explanation or receipt of the required delinquent reports (HHS/PMS 272/VETS-300).
- e. Final adjusted VETS 300 reports reflecting actual obligations/ expenditures during the grant period (Fiscal Year) shall be submitted by the grantee to the DVET and Grant Officer not later February 15th following the end of a FY for States with no funds carried over into a 5th FY quarter; or not later than May 15 for any State with FY funds carried over into an approved 5th quarter pending annual reauthorization of 5th quarter spending by Congress.
- f. A failure to comply with the above reporting requirements may result in the decision to invoke the sanctions specified in 20 CFR, Part 658, Subpart H and jeopardize all DOL funding received by the Grantee.

C. PERFORMANCE REPORTS

NOTE: As per 20 CFR, Section 658.601 (7) (d), State Administrator(s) must ensure to the maximum extent feasible, the accuracy of data entered by the State agency into required management information systems. Each State agency must also establish and maintain a data validation system.

1. DVOP and LVER Workload Activity Reports (VETS 200) -- The Grantee must provide a DVOP, an LVER, and a unduplicated count (UC) report **within 45 calendar days after the end of each quarterly reporting period through the Enterprise Information Management System (EIMS)**. The reports will provide data on the total applicants served by the DVOP and/or LVER staff on a Statewide basis, and as programming permits, by LESO or SDP to the DVET.
2. Employment Service (ES) Activity Report (ETA 9002) -- The grantee will submit **reports within 45 calendar days after the end of each quarterly reporting period through the Enterprise Information Management System (EIMS)**. Reports for each substate region, LESO, or SDP will also be accepted by the DVET where available, and as arranged.
3. LVER/Local Office Reports - The Grantee must furnish the DVET a copy of each LVER's report to the LESO or SDP Manager assessing services to veterans, as specified in 38 U.S.C. 4104(c). This report must be prepared at least once per quarter, and must include at the least an analysis of compliance with the applicable Measures of Services or standards of performance pertinent to services to veterans, the quantity and quality of services provided to eligible veterans and eligible persons (see Enclosure II.B.- Glossary) by the LESO or other such SDP assigned, and VR&E service activity as specified in the most recent Veterans = Program Letter (VPL) on this subject.

In SDPs at which no LVER is assigned, the head of the LESO will be responsible for the provision of priority services to veterans, although no written quarterly report is required.

4. Grantees are required to report and be accountable for veterans = services standards of performance or measures of service as described in the most recently issued VPL on this subject.
5. Technical Performance Narrative Summary Report (DVOP and LVER)
 - a. The grant recipient must submit, both in hard copy and on diskette, quarterly technical performance narrative reports. The SWA Administrator must sign this report attesting to the maximum extent

SPECIAL GRANT PROVISIONS

feasible, that the reports are accurate and complete. These reports must contain the following information (see also Section V. B. 2. a.1. regarding explanations for any downward PS+PB to Total Ratio variance to approved levels) on performance of the DVOP and LVER grant program resources (i.e.; direct DVOP and LVER staff, support staff consisting of the equivalent administrative positions paid and non-staff fiscal (e.g., equipment) expenditures):

- 1) A comparison of actual **cumulative four quarter** Statewide accomplishments of program staff (VETS 200 Reports) to the overall agency accomplishments (ETA 9002), goals and other such performance report(s) approved for use by the ASVET.
- 2) Analysis of overall State agency performance relative to veterans= services including an analysis of results and reasons for slippage, if any, or any deviations in spending which require explanation or justification in the format and for the standards set for that PY in consultation with the DVET and approved for the Secretary by the RAVET.
- 3) An analysis and explanation of any non-veterans served by DVOP staff and full time LVERs, according to an analysis of the VETS-200 reports.
- 4) Analyses and explanations of any staff vacancies that exceed **sixty (60)** days in duration, and corrective actions taken toward compliance with the State's staffing plan.
- 5) Remedial/Corrective actions taken in response to any monitoring reports submitted by the DVET.
- 6) Any special activities that may have impacted services to veterans and/or enhanced performance of the DVOP or LVER program staff (i.e., DVOP/LVER Statewide training; special outreach initiatives; newly established and/or success of out-stationed DVOP resources; pilot projects; offices closed in response to State fiscal reductions or staffing consolidation plans or One-Stop Centers established involving staff reassignments/realignments).
- 7) The cause for any reduction to the approved Personal Service (PS) + Personnel Benefit (PB) to total ratio in any quarter must be explained in writing in the Technical Performance Narrative Summary Report, only if not already addressed in an analysis of the VETS 300 report (see also Section V.B.2.a.1.). The specific cause

SPECIAL GRANT PROVISIONS

for any downward variance from the approved rate must be identified and the cause of the adverse fiscal impact on the planned ratio or staff performance levels must be evident in documentation to be submitted with this report.

- b. An updated DVOP/LVER staffing chart or table must be attached to the grantee's Technical Performance Narrative Summary Report, to include at the latest status changes in DVOP and LVER personnel; new staff appointments and/or assignments; and identification of the DVOP staff in a State (25% of total, unless approved by waiver request to no less than 20%) with designated outstation responsibilities (to include TAP sites).
- c. The Technical Performance Narrative Summary Reports and attachments must be submitted not later than **forty-five (45)** calendar days after the last day of each reporting quarter.

D. DISTRIBUTION OF REPORTS

1. Within than **forty-five (45)** calendar days after the end of each Federal FY quarter, one VETS 300 report (separately for DVOP and LVER), and the Technical Performance Narrative Summary Report with required staffing update, must be electronically submitted (or in hard copy, if necessary) to the DVET.
2. **Grantees must submit quarterly the ETA 9002 and VETS 200 as stated in section V. C. 2.**
3. Copies of the DVOP/LVER staffing chart and each LVER's report to the LESO Manager must be forwarded to the DVET in the manner arranged at least quarterly within **forty-five (45)** days following the end of each quarter.

VI. INFORMATION ACCESS

The Grantee must provide the RAVET, DVET and designated VETS staff, serving to monitor this staffing grant, access to internal State agency ledgers and reports (including audits), personnel records (including Grantee time distribution, travel voucher, and performance standards per 38 U.S.C. 4104A) and for quality control reviews (38 U.S.C. 4103 (c) (15)), client records (including applicant/employer records, counseling/case management records at local SDPs) that relate, in whole or in part, to services provided to veterans and/or eligible persons (see also 20 CFR 1001.122).

VII. GRANT MANAGEMENT AND MONITORING

- A. The Grant Officer is the designated official who approves, signs and modifies DVOP/LVER grant documents. Changes in the scope, cost or conditions of the DVOP/LVER grant require Grant Officer approval. Requests for changes affecting staff levels, funding or approved plans (SFOPs) must have grant officer approval as described in the general grant provisions (see D below). The Office of the Assistant Secretary for Veterans' Employment and Training, through VETS= field staff (e.g., DVETs, ADVETs) located within the State Agency offices and RAVETs located in VETS= regional offices, monitors and adjusts the expenditure of grant funds by States as required by statute (38 U.S.C. 4102A) and regulation (20 CFR Part 1001, Subpart B through D).
- B. Each DVET serves as the Grant Officer's Technical Representative (GOTR) of the DVOP/LVER program in each State assigned. Their technical assistance, functional supervisory and grants monitoring responsibilities are described by statute (38 U.S.C. 4103(c) and 4104A). The DVET is authorized to review narrative reports and records, monitor the progress of the grant, negotiate remedial/corrective action regarding potential compliance issues, communicate directly with DVOP specialists and LVER staff during reviews of services at the SDP, in the course of an investigation, or as requested by the ASVET or State agency, and recommend approval or disapproval of technical matters not involving a change in the scope, cost, or conditions of the DVOP/LVER grant.
- C. The DVET recommends to the RAVET actions to remedy unresolved issues of non-compliance, including statutory, regulatory or grant requirements. If such issues remain unresolved, the RAVET may initiate remedial actions which can result in a potential federal funding loss to the Grantee, in accordance with the provisions of 20 CFR Part 658, Subpart H, referred to in 20 CFR Part 1001, Subpart D.
- D. All available funds annually appropriated for these programs are allocated for distribution to States in each of the four quarters. Since VETS cannot obligate FY funds or re-obligate any recaptured FY funds after September 30, any request for additional funds to meet unplanned COLA increases or other valid purposes can only be met if a like amount can be made available from funds recaptured from States that expended less than amounts planned following the end of the first, second and third FY quarters. This normal budgetary process (NBA) was approved by the grant officer and accepted by the Office of Management and Budget. Grant modifications to recapture and redistribute funds occur once per quarter. Mid-year requests for actions requiring Grant Officer approval, such as grant modifications for additional funds, budget revisions and requests for purchases of non-expendable personal property exceeding the limitations prescribed in OMB Circular A-102 (29 CFR Part 97), submitted by the Grantee to the DVET for review and recommendation must be received by the Grant Officer at least 45 days prior to the end of Fiscal Year (FY) quarter, or they may not be

SPECIAL GRANT PROVISIONS

considered for approval within that quarter (see Section II.B. of the General Provisions for Modification Requirements). Because of the limitations of appropriations law restricting adjustments after September 30 of each year, requests which are received after August 15 of any given FY may not be considered for funding in that FY.

- E. The current USDOL directives that require automated data processing (ADP) equipment to be inventoried by specific grants-in-aid programs must be followed. States will continue to be responsible for identifying the location(s) where equipment purchased with grant dollars is being utilized. Each inventory must be identified by State, FY, Grant Number, and:
1. Indicate the name brand, model number and specifications of all equipment;
 2. Identify the actual cost of each component to be purchased or, where competitive bidding must precede such purchases, an upper range estimate of the costs which will not be exceeded;
 3. Identify the number of and job titles for the staff that will utilize and/or benefit from such purchases;
 4. Include all locations in a State that will be receiving or utilizing such ADP equipment. The grantee must assure that only funds equal to the proportion of DVOP/LVER grant staff using such equipment will be charged to the grant. Equipment solely to be used by all or selected grant funded staff (DVOP/LVER) must also be so specified.
- F. States approved by the ASVET and Grant Officer to purchase personal computers (PCs) for Internet connectivity, will provide assurances that:
1. The PCs and planned training being procured with DVOP/LVER grant funds will be used exclusively by DVOP Specialists and LVER staff, and that the necessary training in their efficient and effective use will be provided as soon after installation as possible.
 2. The PCs shall have internal modems, network cards or modem peripherals and be supplied to DVOP and LVER staff to permit direct, Areal time@ Internet access to America=s Job Bank (AJB) and Talent Bank (ATB) to provide for effective file search and job development for veterans through increased access to employer job listings, especially for those openings listed directly on AJB by Federal Contractors.
 3. Any computer purchases requested must include a statement assuring that DVOP/LVER staff would be provided the necessary training to effectively use

SPECIAL GRANT PROVISIONS

these tools to improve the quality of direct client-assisted services provided to veterans.

4. All participating States shall report in their quarterly performance narrative reports to the Director for Veterans = Employment and Training assigned to the State the perceived enhancement to staff capacity to serve veterans, and any problems associated with this initiative; and
5. All such hardware shall be added to the State=s inventory in accordance with Section E. above.
6. States will follow the guidelines at 29 CFR, Part 97.32 regarding the disposition of replaced or obsolete equipment.

This page intentionally left blank.