

## On-Line NEG Applications Circumstances Requiring Narrative Justification

Issue	If...	Then...
No Rapid Response	Layoff notification was provided but no rapid response has been initiated...	Narrative must explain why it was not feasible or appropriate to initiate rapid response before submitting the application.
Layoff Date > 120 Days	Application includes a layoff date more than 120 days before the date of application submission...	Narrative must include specific information demonstrating that the affected workers are still in need of, and interested in, re-employment services.
Participation Rate > 50%	Planned number of participants is more than 50% of eligible target group...	Narrative must provide data justifying the projected participation rate. This could include rapid response survey results, actual enrollments in formula-funded services, or assessment results.
Employment Rate < ETA Target	The proposed entered employment rate is less than ETA's target level...	Narrative must provide data on the re-employment barriers of the target group demonstrating why the target goal is not feasible.
Wage Replacement < ETA Target	The proposed wage replacement rate is less than ETA's target level...	Narrative must provide data on the re-employment barriers of the target group demonstrating why the target goal is not feasible.
Number Participants < 50	Any employer data form shows the number of affected workers is less than 50...	Narrative must explain why the affected employees cannot be served with formula funds.
High Cost Per-Participant	Proposed cost per-participant is more than 200% of the reported actual cost per-participant in the prior PY...	Narrative must provide specific information that adequately justifies the proposed higher costs. This could include a discussion of the re-employment barriers that create a greater overall need for training, or for longer-term training.  <i>Note: This does not apply to the temporary jobs component of a Disaster project or to a Trade Health Insurance Coverage Assistance Project.</i>

Issue	If...	Then...
NRPs Provided	Application proposes to offer needs-related payments (NRPs) to <i>any</i> participants...	<p>Narrative must explain how the number of proposed NRP recipients and the cost per recipient were estimated. Cost information should be based on the number of weeks and the weekly amounts per recipient.</p> <p><i>Note: This information will be used during post-award reviews to verify that NRPs are being provided consistent with Local Area policies.</i></p>
Indirect Costs	Indirect costs are proposed...	<p>Narrative must identify the approved cost rate and base, the cognizant approval agency, and the date of approval for the indirect cost rate.</p> <p><i>Note: This only applies to indirect costs proposed at the <u>grantee</u> level, not the sub-grantee level.</i></p>
NRP Administration Cost	Any costs are proposed for administration of NRPs...	Narrative must explain how the cost basis was determined (i.e., based on number of checks and the cost per check).
Health Insurance Premium Administration Costs	Any costs are proposed for health insurance premium administration...	Narrative must explain how the cost basis was determined (i.e., based on number of payments and cost per payment).
Grantee-Level Administrative Costs I	<p>There are no proposed project operator-level administrative costs;</p> <p style="text-align: center;">and,</p> <p>The proposed grantee-level administrative costs (excluding NRPs and health insurance premiums) are greater than 10% of the total amount of grantee-level costs...</p>	<p>Narrative must explain why the proposed project management &amp; oversight costs are greater than 10% of total expenses (excluding NRPs and health insurance premiums).</p> <p>Narrative must describe the specific administrative and project management activities to be performed and must discuss the applicable cost components, such as staff salaries and benefits, staff time allocated, equipment, travel, facilities, etc.</p>

Issue	If...	Then...
Project Operator-Level Administrative Costs	<p>There are proposed project operator-level administrative costs;</p> <p style="text-align: center;">and,</p> <p>The proposed project operator-level administrative costs (excluding NRPs and health insurance premiums) are greater than 10% of the total project operator-level costs...</p>	<p>Narrative must explain why the proposed project management &amp; oversight costs are greater than 10% of total expenses (excluding NRPs and health insurance premiums).</p> <p>Narrative must describe the specific administrative and project management activities to be performed and must discuss the applicable cost components, such as staff salaries and benefits, staff time allocated, equipment, travel, facilities, etc.</p>
Grantee-Level Administrative Costs II	<p>There are proposed grantee-level administrative costs;</p> <p style="text-align: center;">and,</p> <p>There are proposed project operator-level administrative costs;</p> <p style="text-align: center;">and,</p> <p>The total project management &amp; administrative costs (excluding NRPs and health insurance premiums) are greater than 1.5% of the total project operator-level costs...</p>	<p>Narrative must explain why the proposed grantee-level management &amp; oversight costs are greater than 1.5% of the total project operator-level expenses.</p> <p>Narrative must describe the specific administrative and project management activities to be performed and must discuss the applicable cost components, such as staff salaries and benefits, staff time allocated, equipment, travel, facilities, etc.</p>