

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION OAS/INAP
	CORRESPONDENCE SYMBOL TEGL
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TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 32-05

TO: ALL SECTION 166 INDIAN AND NATIVE AMERICAN GRANTEEES

FROM: EMILY STOVER DeROCCO
Assistant Secretary 

SUBJECT: Planning Guidance and Instructions for Submission of the Two-Year Strategic Plan for the Native American, Section 166, Program

1. **Purpose.** The purpose of this Training and Employment Guidance Letter (TEGL) is to provide planning guidelines and instructions to Native American grantees for the development of a strategic two-year Comprehensive Services Program (CSP) plan and Supplemental Youth Services Program (SYSP) plan. Native American entities must submit a two-year plan for meeting the employment training needs of Indians, Alaska Natives, and Native Hawaiians consistent with the purposes described in Section 166 of the Act.

2. **References.**

- a. Section 166 of the Workforce Investment Act (WIA):
<http://www.doleta.gov/dinap/pdf/166.pdf>
- b. Regulations implementing the WIA:
<http://www.doleta.gov/dinap/pdf/wiafinalregsall.pdf>
- c. TEGL 17-05, Common Measures Policy for the Employment and Training Administration's (ETA) Performance Accountability System and Related Performance Issues located at:
http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2195
- d. DINAP Bulletin No. 99-05 Administrative Costs Limitations under the WIA located at: <http://www.doleta.gov/dinap/bulletins/99-05.cfm>

3. **Background.** This planning guidance and instructions provide Native American grantees with a framework in which to develop a strategy for meeting the

RESCISSIONS: None	EXPIRATION DATE: Continuing
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employment and training needs of Indian and Native Americans. Such strategies should address customer needs, delivery of integrated and user-friendly services, and accountability to the public and the Native American community in which the grantee serves. Attachment B of this TEGL provides a format and guidance for addressing key areas of the strategic plan. Grantees should focus on the quality of their planning narratives to ensure that each item in Attachment B is fully addressed. Planning narratives that do not adequately address each item in Attachment B may delay the approval of the plan and subsequent grantee funding.

- a. **Implementation of Common Measures (CSP ONLY)**. Section 166 grantees will begin using the common measures performance system in Program Year (PY) 2006 for the CSP (Adult) program only. The common measures replace the existing "Menu of 13 Measures" system, which has been used as the indicator of performance for the Native American adult program since PY 1999. The SYSP will continue to use the existing 13 participant goals and attainments for PY 2006. ETA anticipates implementing youth common measures beginning in PY 2007. PY 2006 will be considered a "baseline" year for the adult program common measures in which ETA will collect and analyze grantee performance data. Performance data collected in PY 2006 will be used to determine minimum and recommended levels of performance for common measures outcomes in future years. The minimum and recommended levels of performance for Entered Employment will be established using the Entered Employment Rate (EER) previously used for Entered Employment measure No. 5 in the Menu of 13 Measures system. Attachment F of this TEGL provides the minimum and recommended levels of performance for the Entered Employment measure.

In order to comply with the Government Paperwork Elimination Act, ETA is streamlining the collection of the Native American Program's participant data and the preparation of quarterly performance reports by providing a common case management and reporting system, the Native American Workforce Investment Act (NAWIA) system, as well as uniform report formats and definitions to grantees across ETA programs. All reports will be submitted to ETA via the Internet. Grantees will collect, retain, and report information electronically through the NAWIA management information system. Grantees will be provided with new software and new reporting forms as soon as they become available. Training on the revised software is also being planned.

In addition to the common measures, ETA has established a total participant goal and an average cost per participant goal for the overall

Section 166 program. For PY 2006, the ETA has established a goal of serving 19,258 participants and an average cost per participant goal of \$2,370. In order for the Section 166 program to meet these goals, grantees with exceedingly high average cost per participant rates will be required to justify the rate. ETA recognizes that some grantees may have high average cost per participant rates because of high training costs, the quality of training, or the number of participants that are placed in training. ETA does not want to penalize or discourage grantees from providing training to participants; however, ETA wants to ensure that training costs are, in fact, the reason for low participant numbers and high average cost per participant rates and not due to other factors such as inefficient grant operations.

Therefore, the Indian and Native American Program (INAP) office will provide grantees an opportunity to explain their high average cost per participant rate in their two-year strategic plan. Grantees that plan to exceed an average cost per participant rate of \$3,500 must explain their training strategy in item number 3 of the two-year strategic plan. This will help ETA determine if the grantee's cost per participant is due to the cost, quality, or quantity of training or if it is due to inefficient grant operations.

- b. **Period of Performance.** This two-year plan covers Program Years 2006 and 2007, April 1, 2006, to March 31, 2008, for the SYSP and July 1, 2006, to June 30, 2008, for the CSP. The grant funds provided in PY 2004 and PY 2005 can be expended during this two-year cycle, except that PY 2004 funds will not be available for expenditure in PY 2007 since all grant funds have a three-year expiration date. SYSP funds may not be available in grantee sub-accounts at the beginning of the PY (April 1); however, grantees may use "carry-over" funds from previous PYs (if available) to implement the SYSP.

Grantees that do not have carry-over funds from previous PYs may use other (non-restricted) resources to begin operating a SYSP and reimburse the program for allowable costs retroactive to April 1 when funds become available in grantee sub-accounts. However, grantees should be aware that a formal commitment or obligation of DOL funds will only occur when a Notice of Obligation has been issued by the Grant Officer and the subsequent two-year plan has been approved. Grantees that have not received an official "designation" letter from the Grant Officer re-designating their organization as a Section 166 grantee, or that have been "conditionally" designated, have a greater risk of not being reimbursed for funds that have been advanced to their WIA program.

- c. **Administrative Cost Limit.** DINAP Bulletin 99-05 (dated December 10, 1999) provides ETA's policy on administrative cost limits for each Section 166 program. The policy sets a limit of 15% (of the funding year allocation) for administrative costs, with an exception that ETA may approve a higher administrative limit, not to exceed 20%, if a grantee can provide acceptable justification for a higher limit. Grantees requesting a rate higher than 15% for this two-year plan must include a detailed administrative budget and narrative justification with the two-year plan. The budget should include items such as: indirect costs, staff salaries, fringe benefits, rental space, utilities, equipment, supplies, travel, etc. The regulation at 20 CFR 667.220 defines what functions and activities constitute administrative costs subject to the administrative cost limit.

- d. **Grievance Procedures, Complaints, and Appeals Processes.** According to the regulations at 20 CFR 667.600, grantees must provide a copy of their grievance procedures to participants and other interested parties. A copy of the grantee's grievance procedure must be included as an attachment to this two-year plan. At a minimum, the grievance procedure must include: 1) a process for addressing grievances and complaints from participants and other applicable parties; 2) an opportunity for a fair and impartial hearing to be completed by the grantee within 60 days of the filing of the grievance; and 3) an opportunity to file a grievance with Department of Labor's Indian and Native American Program when a decision is not made within 60 days or either party is dissatisfied with the local hearing decision.

- e. **Modification of an Approved Plan.** Approved plans may be modified, upon Grant Officer approval, when it is determined that the grantee's current two-year strategy is not meeting the workforce needs of the community or when shifts in the local labor market and/or employer demands (such as job skills training) require a strategy that is significantly different from the approved plan. Modifications are not necessary for changes that do not significantly change the scope and purpose of the approved plan. Grantees should contact their Federal Project Officer when planning to change the scope, purpose or design of their grant to determine whether such changes are significant enough to require prior Grant Officer approval.

- f. **Waivers.** WIA Section 166(h)(3) permits waivers of any statutory or regulatory requirement except for those areas cited in Section 668.920. DINAP Bulletin 95-29 provides specific instructions on how to request waivers to the regulations and other program requirements. **Note:** A

waiver request utilizes a separate approval process from the two-year planning approval process. Therefore, grantees must submit a waiver request separately. Although it is preferable to have an approved waiver coincide with the beginning of a two-year plan, it is not required. Grantees may submit a request for a waiver at any time during the two-year program period.

- g. **Acquisition of Equipment.** Grant Officer approval is required prior to the acquisition of equipment that has a useful life of more than one year and an acquisition cost of \$5,000 or more per unit pursuant to OMB Circulars A-102 [29 CFR 97.33] and A-110 [29 CFR 95.2 (n)]. Approval of equipment is a separate process and cannot be included in the overall approval process of the two-year plan. Grantees must submit requests for the purchase of equipment separately.
 - h. **PY 2006 Funding Allocations.** The PY 2006 appropriation level for the Section 166 CSP is \$53,695,620 and \$14,107,500 for the SYSP. Attachments G and H of this TEGL provide the funding allotments for individual grantees. The allotments provided in this TEGL are for planning purposes only and are not an official commitment/obligation by the Department. The allotments do not reflect any changes that may occur as a result of the recent competition process. Grantees will receive an official Notice of Obligation from the Grant Officer upon approval of the two-year plan.
 - i. **Assurances and Certifications.** Assurances and certifications were included in the PY 2004-2005 plan, and this is a modification to that plan. Therefore, assurances and certifications will not be required for this plan. Attachment C (Key Officials) must be included with all plans, as well as the Special Clause #2 (Indirect Cost Rate and Cost Allocation Plan) with an updated copy of the grantees indirect cost rate if the grantee is a multi-funded organization. Grantees should review the assurances and certifications submitted with the original (PY 2004-PY2005) grant to be aware of the requirements.
4. **Action Required.** The due date for submission of the two-year plan is Friday, June 30, 2006. Grantees must submit three copies of the plan with at least one plan having an original signature of an authorized official on the Grant Signature Sheet (Attachment A).

Grantees must submit the two-year plan postmarked no later than June 30, 2006, to:

U.S. Department of Labor
Indian and Native American Programs
Office of Workforce Investment
200 Constitution Avenue, N.W.
FPB Room S-4206
Washington, D.C. 20210
ATTN: MIS-CSP DESK

5. **Inquiries.** Please direct questions to your designated Federal Project Officer provided below:

Andrea Brown (East) (202) 693-3736	Duane Hall (Midwest) (214) 767-2154
Craig Lewis (Midwest) (202) 693-3384	Guy Suetopka (West) (415) 975-4383
Dawn Anderson (Midwest) (202) 693-3745	Si Seciwa (West) (415) 975-4621

6. **Attachments.** The following attachments and required documents must be included.

Attachment A:	Grant Signature Sheet
Attachment B:	Two-Year Planning Narrative
Attachment C:	Key Officials
Attachment D:	Indirect Cost Rate Agreement
Attachment E:	SYSP Goals and Calculation Worksheet (SYSP funded grantees ONLY)
Required Documents:	Grantee Grievance Procedures Indirect Cost Rate/Cost Allocation Plan (if applicable)

Attachments for Information Only: (Do Not Return with Plan)

Attachment F:	CSP Performance Worksheet
Attachment G:	SYS Allotments
Attachment H:	CSP Allotments