

SUPPORTING STATEMENT, OMB 1205-0417
WORKFORCE INFORMATION GRANTS to STATES
(One-Stop Workforce Information Grant Plan and Annual Performance Report)

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

This collection of information is necessary to comply with the reporting requirements of 29 CFR Part 97.40; OMB Circular A-102; and the provisions of WIA Sections 111(d)(8) and 309. Section 309 of the Act requires the Secretary of Labor to oversee the development, maintenance, and continuous improvement of a nationwide employment statistics (workforce information) system; and to evaluate the performance of the system and recommend needed improvements, taking into consideration customer consultation results, with particular attention given to improvements needed at the state, regional and local levels. The required state certification of required grant deliverables, state economic analyses and/or special workforce information/economic studies or reports, and the annual performance report combined with the continued expectation of customer consultations all serve to ensure that the Secretary meets WIA regulatory requirements.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

The policy development and oversight responsibilities of the Department of Labor (DOL) include defining deliverables and accountability measures for the workforce information formula grants to states. ETA has used information provided by the state certifications and annual performance reports to assess the extent to which grant deliverables have been met, whether the investment of Federal funds achieved planned outcomes, and to identify possible technical assistance needed by the states. To ensure accountability for the investment of formula workforce information funds, ETA regional offices assess and document the effectiveness of grantee performance through the periodic review of states' progress towards meeting grant deliverables; customer consultations; annual performance reports; and, the degree of participation in partnership and customer service opportunities that enable state leveraging of limited workforce information program resources.

The requirement for states to annually develop economic analyses and special workforce information/economic studies and reports ensures that the workforce and labor market information created through Federal funds supports and substantively contributes to overall state workforce investment system planning and to state and sub-state economic development strategies. The analyses, studies, and /or reports created through this deliverable are to specifically inform the workforce and economic development policy and investment decisions made by the governor and state or local workforce investment boards.

The inclusion of customer consultation results ensures that states continue to monitor and assess the relevance of the workforce information provided by state employment statistics systems to its

customers, evaluate the performance of the systems in meeting varied customer needs, and provide a basis for states to formulate continuous improvement strategies.

Both the state performance report and economic analyses and special workforce information and economic studies are published annually on the ETA Web portal. Additionally, states publicly share both grant products through Internet postings on their own Web sites prior to their submission as current workforce information grant deliverables. ETA receives both documents electronically as either a direct hyperlink to the document housed on the state site or as a pdf file specifically created from the state Web site hyperlink for submission as a grant deliverable. Since both deliverables consist of (or are created by) hyperlinks to information already disseminated by the states, the definition of information as outlined by DOL's October 2002 *Information Quality Guidelines* does not apply. (Please see "Information Categories", page 5.)

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

ETA has and continues to require the use of electronic submission of workforce information grant annual reports, state economic analyses and special workforce information/economic studies, and reports as a means to reduce the state hardcopy reporting burden to the greatest extent practicable. However, the annual Statement of Work Certification and the accompanying transmittal letter must be signed by the governor, or both the SWA administrator and the SWIB chairperson. Additionally, the Application for Federal Assistance (SF-424) must be signed by the appropriate state designee. The grant application submittal must include an original and two hard copies of these documents in order to be considered for final approval. ETA accepts the electronic transmittal of signed documents and forms.

In addition to the actual application submission process outlined above, grantees are required to submit .pdf documents or links to .pdf copies of relevant economic analyses, special workforce information, and/or economic studies to meet this grant deliverable, and to submit the required annual performance report as a .pdf file to the appropriate ETA regional office no later than 90 days following the end of the program year. All .pdf documents submitted by the states must meet Section 508 compliance requirements of the Rehabilitation Act Amendments of 1998 to ensure report accessibility for individuals with disabilities.

Since the approval of the last workforce information collection request in 2008, all fifty-four (54) states and territories that receive workforce information funding now utilize electronic formats to submit required grant deliverables.

4. Describe efforts to identify duplication.

The information being requested is unique to these grants and is not otherwise available.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

Responding to state efforts to collect customer satisfaction information is voluntary for small

businesses and other small entities.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

Management of the nationwide workforce information system requires the regular, reasonable collection of information to assure accountability for the investment of funds and that the grants are achieving planned outcomes. Further, Section 309 of the Act requires that the performance of the employment statistics system be evaluated annually, taking into consideration the results of customer consultations.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

There are no special circumstances that would cause this information collection to be conducted in any manner inconsistent with OMB guidelines.

8. Provide information on the PRA Federal Register Notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

A Federal Register Notice announcing the 60-day public comment period for this information collection was published on Wednesday, January 5, 2011. (See Federal Register, Vol. 76, No. 3, pages 588 – 589.) No comments were received. ETA receives continuous state feedback on the workforce information to be collected through their regular contacts with regional staff and the submitted annual reports. The feedback concerns the continuing value of the information collected as well as the accuracy of burden estimates per response.

Examples of feedback ETA has received in the past from the states and other interested stakeholders include: 1) adjusting or reducing the number of annually required core products and services deliverables; 2) clarifying that states are able to use WIGS funds to support needed state LMI staff training; and, 3) assuring state flexibility in the development and use of additional WI tools, surveys and/or data beyond WIGS requirements as requested by the governor or state workforce investment board (SWIB).

State feedback has been provided through a variety of mechanisms including: (periodic) National Association of State Workforce Agency (NASWA) LMI Committee meetings, quarterly BLS-driven Workforce Information Council (WIC) meetings, monthly conference calls between the national office and the regional LMI/WI Federal Project Officers (FPOs), and through direct mail or email from the states to either the regional FPO or the national office.

With the three examples presented above, ETA responded as requested and implemented the necessary adjustments or assurances.

Professor Andrew Reamer submitted comments to the Office of Management and Budget after the publication of the second Notice in the *Federal Register* on May 13, 2011 (Vol. 76, p 28093). He proposed edits to the draft Training and Employment Guidance Letter which accompanied this submission rather than to the information collection request itself.

Dr. Reamer's comments related to ETA's workforce information policy and amplified what ETA will communicate in the proposed guidance. He proposed an edit, for example, that said "In particular, ETA expects each state to use PY2011 workforce information to guide the expenditure of ETA training and employment funds granted to state government." However this comment seems to be more appropriately a part of the guidance for the WIA Adult, Youth, Dislocated Worker, National Emergency Grants, Job Corps, and a range of economic development and education programs funded by other agencies. Although the Workforce Information Grants to States provides some of the funding to supply the information needs of these programs, this comment and his other specific edits are not needed for states' guidance on the workforce information grants.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

ETA does not provide any payments or gifts to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

No confidential information is requested or collected from individual respondents.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

Not applicable.

12. Provide an estimate in hours of the burden of the collection of information.

The total number of respondents is fifty-four (50 states, plus the District of Columbia and the territories of Guam, Puerto Rico and the Virgin Islands). Each respondent is required to submit an annual state certification of required grant deliverables, copies of relevant economic analyses, special workforce information and/or economic studies, and an annual performance report.

The estimates of burden below were based on consultation with seven (7) states in preparation for the 2008 approval of this collection. States were asked to determine the amount of time required to prepare for upcoming program year grant activities (grant prep) for which they submit a state certification of required grant deliverables; develop a state economic analysis report; and, produce the proposed annual performance report including the results of the customer satisfaction consultations and assessments. The states, based on resident density, were small to large in size, and included Alabama, Florida, Illinois, North Carolina, South Carolina,

Tennessee and Utah. A simple average was used to determine the representative burden for all of the WIGS grantees.

Since then ETA, through its annual guidance to the states, has further clarified for grantees that the submission of relevant economic analyses*, special workforce information, and/or economic studies developed during the program year meets the expected grant requirement to develop a state economic analysis report*. Therefore, current state burden estimates are the same as those submitted for approval in 2008. The slight adjustment upward in burden hours corrects a computational error based on a simple numeric reversal in the previous submission's calculations (specifically, the total annual burden hours for “relevant economic analyses” was listed as .23,428 hours when it should have been 23,482 hours).

The current broadened clarification of the economic report grant requirement negates the need for some states to seek specific gubernatorial review before submitting grant deliverables; thus, this factor ensures no overall increase in total burden hours.

Activity	Number of Respondents	Responses per Year	Total Responses	Hours per Response	Total Burden Hours
Grant Prep & Certification	54	1	54	63.22	3,414
Relevant Economic Analyses*	54	1	54	434.86	23,482
Annual Report	54	1	54	80.22	4,332
Totals	**	1	162	**	31,228

This request covers the time needed to identify upcoming grant activities (grant prep and preparing the certification of grant deliverables); the development and submission of relevant economic analyses, special workforce information, and/or economic studies of benefit to the governor and state and local WIGS in lieu of a specifically developed state economic analysis report, and one (1) annual performance report including customer consultations. The burden hour estimate for each activity is listed above.

Costs based on state staff burden estimates compute to an average annualized cost of \$2,520 for grant preparation and certification and \$3,200 for the annual report including customer consultation assessment results. The average annualized cost per respondent for developing relevant economic analyses, special workforce information, and/or economic studies is \$17,360 or \$23,080 per state. The total staff burden cost for all states is \$1,246,320. These amounts were obtained by multiplying the estimated burden hours by the average compensation of \$40 per hour. (Source: Bureau of Labor Statistics, *National Compensation Survey - Employer Costs for Total Employee Compensation, State and Local Government 2010, 2nd quarter.*)

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in #12

above).

ETA does not expect that states fund any of the required activities with state or other funding. Federal grant funds have been sufficient to fully support the planning and administration of the grant; production of the required grant deliverables (including relevant economic analyses, special workforce information and/or economic studies and customer satisfaction assessment), and reports on grant activities. There are two required report deliverables: the annual performance report and the submission of relevant economic analyses in a format selected by the state. Both WIGS reports are developed by state LMI/WI staff (including LMI Directors) either within the state LMI shop or in conjunction with other relevant professional staff from the state offices or departments of Labor/Employment, Commerce or Economic Development.

14. Provide estimates of annualized cost to the Federal government.

(A chart containing specific cost breakdowns for each grant activity has been provided following this response.) The Federal government costs are divided between the ETA regional and national offices, and between the program and grants units in the national office. The identification of grant activities (grant prep and certification) is estimated to require an average of 12 hours to review and to individually negotiate changes at the regional level; and, a total of 20 hours to review at the national level. The Federal cost for review of the grant certifications is \$3,552.

The submission of relevant economic analyses, special workforce information, and/or economic studies is estimated to require 202 regional hours and 54 national office hours for processing and review. The Federal cost for reviewing relevant economic analyses, special workforce information, and/or economic studies is estimated at \$9864.

The annual report is estimated to require an average of 31(*) hours by the regional office and 2(+) hours by the national program office to review, discuss with grantee, determine if the work completed is in compliance with expected grant deliverables and to determine if any changes are necessary to program operations. The total estimated Federal cost for reviewing the annual report is \$11,880.

The total estimated Federal cost for this request is \$25,296. Regional office costs were calculated at \$36 per hour, which is the average between a GS-12, Step 5 and a GS-13, Step 5. National office costs were calculated at \$48 per hour for a GS-13, Step 5. (Source: Office of Personnel Management; *2010 General Schedule for Hourly Basic Rates by Grade and Step -- Excluding Locality Pay, and the 2010 General Schedule Locality Pay Table for Washington, D.C.*)

*Review of certified statement of grant deliverables, telephone calls/emails, negotiating changes to expected deliverables, consultation with grantee and national office, file review and maintenance.

+Review of certified statement of grant deliverables, possible discussion with grantee and/or regional offices, Web posting of submitted reports, and file maintenance.

<u>Activity</u>	<u>Total Hours Regional</u>	<u>Total Regional Costs @ \$36</u>	<u>Total Hours National</u>	<u>Total National Costs @ \$48</u>	<u>Total Federal Costs</u>
Grant Processing	72	\$2,592	20	\$960	\$3,552
Review of Relevant Economic Analyses et al.	202	\$7,272	54	\$2,592	\$9,864
Annual Performance Report Review	186	\$6,696	108	\$5,184	\$11,880
Totals	460	\$16,560	182	\$8,736	\$25,296

15. Explain the reasons for any program changes or adjustments

There are no program changes or adjustments.

16. For collections whose results will be published, outline the plans for tabulation and publication.

Since PY 2002, we have published each state's annual performance report on a secure ETA supported Web site for public access and review, as requested by the grantees and the workforce development system. Beginning with the PY 2006 grant deliverables, all submitted state economic analyses, reports, and workforce information studies have also been publicly posted. The PY 2011 grant application packages will be due forty-five (45) days following the date of issuance of the grant application and grant instructions guidance by ETA, although ETA Regional Administrators will have the discretion to extend submission due dates if warranted. All annual performance reports are due ninety (90) days following the end of the program year per 29 CFR 97.40 (b)(1).

ETA also utilizes Workforce³One, ETA's Internet Web site that was created to assist workforce system professionals find and share information, resources, and practices, to publish state examples of well-developed economic analyses, special workforce information/economic studies and reports, and other exemplary new products, tools, Web sites, reports, etc.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

The Department of Labor displays the OMB approval number and expiration date as required.

18. Explain each exception to the certification statement identified in Item 19 of the OMB 83-I.

This information collection contains no exceptions.

B. Collection of Information Employment Statistical Methods

There are no statistical methods employed.