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ADVISORY: **TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 20-11, Change 1**

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS
UNEMPLOYMENT INSURANCE DIRECTORS
EMPLOYMENT SERVICE DIRECTORS

FROM: JANE OATES
Assistant Secretary

SUBJECT: Reemployment Services (RES) and Reemployment and Eligibility Assessment (REA) Activities for Recipients of Emergency Unemployment Compensation (EUC)

1. Purpose. To respond to questions from states about new requirements for the EUC RES/REA for certain recipients of EUC.

2. References.

- *Middle Class Tax Relief and Job Creation Act of 2012,* Public Law (Pub. L.) 112-96 (February 22, 2012), Title II, Sections 2001-2184 (Extended Benefits, Reemployment and Program Integrity Improvement Act);
- *Supplemental Appropriations Act, 2008*, as amended, Pub. L. 110-252 (June 30, 2008), Title IV, Sections 4001-4007 (EUC Act);
- Wagner-Peyser Act, as amended, 29 U.S.C. 49 et seq.;
- Workforce Investment Act of 1998 (WIA), as amended, 29 U.S.C. 2801 et seq.;
- WIA Regulations, 20 CFR parts 652 and 660-671;
- Unemployment Insurance Program Letter (UIPL) No. 41-94, *Unemployment Insurance Program Requirements for the Worker Profiling and Reemployment Services System;*
- UIPL No. 12-01, *Outsourcing of Unemployment Compensation Administrative Functions,* and its Change 1;
- UIPL No. 23-08, *Supplemental Appropriation Act, 2008, Title IV—Emergency Unemployment Compensation,* and its Changes 1-6;
- UIPL No. 04-10, *Extension of Temporary Provisions – Emergency Unemployment Compensation, 2008, Federal Additional Compensation, and Extended Benefits*, and its Changes 1-9;
- UIPL No. 30-11, *State Responsibilities Regarding Limited English Proficient (LEP) Individuals;*
- UIPL No. 10-12, *Fiscal Year (FY) 2012 Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants*;

RESCISSIONS	EXPIRATION DATE
None	Continuing

- Training and Employment Guidance Letter (TEGL) No. 20-11, *Reemployment Services and Reemployment and Eligibility Assessment Activities for Recipients of Emergency Unemployment Compensation;*
- UIPL No. 41-94, *Unemployment Insurance Program Requirements for the Worker Profiling and Reemployment Services System*; and
- General Administration Letter (GAL) 5-77, *Eligibility Review and Reemployment Assistance Programs for UI Claimants.*

3. Background. Providing effective reemployment services to the unemployed (including the long-term unemployed) and minimizing improper payments are high priorities for the U.S. Department of Labor (Department) and its partners, the state workforce agencies. Section 2142 of the Middle Class Tax Relief and Job Creation Act of 2012 (the Act) added subsection (i) to Section 4001 of the EUC Act, requiring that states operating an EUC program provide RES and "in person" REAs to individuals who began receiving EUC First Tier benefits or who transitioned from First Tier to Second Tier benefits on or after March 23, 2012. The RES/REA activities that Section 4001(i)(2)(A) of the EUC Act makes mandatory are:

1) The provision of labor market and career information;
2) An assessment of the skills of the individual;
3) Orientation to the services available through the American Job Centers (formerly known as One-Stop Career Centers) established under Title I of Workforce Investment Act (WIA); and
4) A review of the eligibility of the individual for EUC relating to the job search activities of the individual (see description of the new Section 4001(b)(4) of the EUC Act below).

The four activities listed above are mandatory. States may provide additional services as described in Section 4001(i)(2)(B) of the EUC Act, as amended, and may include the provision of:

1) Comprehensive and specialized assessments;
2) Individual and group career counseling;
3) Training services;
4) Additional reemployment services; and
5) Job search counseling and the development or review of an individual reemployment plan that includes participation in job search activities and appropriate workshops.

Note: TEGL No. 20-11 (Background section on page 3) indicated after "Training Services," (number 3 listed above) that "the Department has interpreted this to mean referrals to appropriate training." However, as part of these optional services, states may also choose to provide training services directly (see item H., Training Services, in the Attachment to this TEGL).

Section 4001(i)(1)(B) of the EUC Act, as amended, requires individuals (who begin receiving EUC First Tier benefits or who transition from First Tier to Second Tier benefits on or after March 23, 2012) who are referred to RES/REA services to participate in these services to receive EUC benefits. To remain eligible for benefits week-to-week, these individuals – and all EUC claimants – must "actively seek work," which includes:

- Registering for employment services as prescribed by the state agency;
- Engaging in an active search for work that is appropriate in light of the labor market and the individual's skills and capabilities, and includes an appropriate number of employer contacts as prescribed by the state;
- Maintaining a record of his/her work search, including employers contacted, method of contact, and date of contact; and
- When requested, providing the work search record to the state agency.

Claimant Notifications: States must notify individuals of the requirement to participate in RES/REA services and take reasonable steps to ensure individuals understand what is required of them and the effect that failing to meet the requirements will have on their eligibility for EUC benefits. UIPL No. 30-11, *State Responsibilities Regarding Limited English Proficient (LEP) Individuals*, provided sample Tag lines that states should include in their notices to communicate important information to claimants, such as appeal instructions or appointment times. The Employment and Training Administration's (ETA) Regional Offices sent translations of the sample Tag lines, in the ten most common languages spoken nationally (Spanish, Chinese, French, German, Tagalong, Italian, Vietnamese, Korean, Polish, and Russian), to states in their respective regions. Any states needing another copy of these translations should contact the appropriate ETA Regional Office.

4. Action Requested. State Administrators are requested to provide this information to the appropriate staff.

5. Inquiries. Inquiries should be directed to the appropriate Regional Office.

6. Attachment. Reemployment Services and Reemployment and Eligibility Assessments (RES/REAs) for Recipients of Emergency Unemployment Compensation (EUC): Questions and Answers

Reemployment Services and Reemployment and Eligibility Assessments (RES/REA) For Recipients of Emergency Unemployment Compensation (EUC): Questions and Answers

A. Requirement to Participate in RES/REAs

1. **Question**: When a claimant is provided notification about the scheduled RES/REA, including consequences for failing to report, and s/he does not report as scheduled and does not contact the agency regarding his/her failure to report, may the state apply its state law provisions and issue an "indefinite" denial?

   Answer: Yes. Section 4001(d)(2) of the Supplemental Appropriations Act, 2008, provides, with exceptions not relevant here, that the terms and conditions of the state law that apply to claims for regular compensation apply to EUC. Therefore, if a claimant fails to report as required for the EUC RES/REA, the state will apply its provisions on ineligibility for unemployment compensation (UC) due to "failure to report" until the claimant complies with the reporting requirements (often called an "indefinite" denial).

2. **Question**: How many times does the state need to accommodate a claimant in rescheduling the EUC RES/REA (for example, if an RES/REA has been rescheduled once, and the claimant asks that it be rescheduled again, is the state required to accommodate the claimant by rescheduling two or more times)?

   Answer: There is no categorical number of times a state needs to accommodate a claimant's request to reschedule. As with other types of UC reporting requirements, the states must consider a claimant's reason(s) for failing to report for a scheduled RES/REA, and/or requesting rescheduling, and apply its state UC law. For example, a state may reasonably conclude there is good cause to grant a claimant's request to reschedule due, for example, to a job interview scheduled at the same time as the RES/REA. (In this case, the state is simply rescheduling the time for the claimant to meet the requirement; it is not waiving the requirement altogether, for which the state must determine there is "justifiable cause.") However, in other cases, states will need to conduct appropriate fact finding to determine whether a one week or an indefinite denial is appropriate and whether any other eligibility issues exist, in particular, in cases where a claimant requests rescheduling more than once.

3. **Question:** TEGL No. 20-11 (Section 5.g.) indicates that a waiver of the RES/REA requirement is allowed "if the state UC agency determines that there is 'justifiable cause' for failure to participate or to complete participation." Does "good cause" under the state UC law constitute "justifiable cause" for purposes of this requirement?

   Answer: Yes, as further provided by TEGL No. 20-11 (Section 5. g.), "States may waive participation [in the RES/REA] if the reason for failure to report or participate in reemployment services or reemployment and eligibility assessments is considered "good cause' under the state's UC law."

4. **Question**: Is it appropriate, under the "justifiable cause" exception, to waive the RES/REA participation requirement when an EUC claimant is working part-time and receiving partial benefits?

   Answer: Yes, if the state has waived the claimant's work search requirement for that reason. However, if the state still requires such claimant to look for work and register with the employment service, the claimant must participate in RES/REA activities, since the requirement's purpose is help claimants return to work.

5. **Question:** Is it appropriate, under the "justifiable cause" exception, to waive the RES/REA participation requirement when an EUC claimant is participating in a work-sharing arrangement (short-time compensation (STC))?

   Answer: Yes. Individuals who are participating in an STC program (also called work-sharing) are job attached and may be excused from EUC RES/REA participation on that basis.

6. **Question**: The EUC law, as amended, authorizes states to waive the requirement for participation in EUC RES/REA activities where an individual "has completed participating in such services or activities." Please explain how the Department of Labor (the Department) interprets the phrase "has completed participating in such services or activities" for the purpose of providing a waiver of the EUC RES/REA participation requirement.

   Answer: For purposes of the participation requirement in new section 4001(i)(3), the Department interprets "completion" of RES/REA activities to include completion of "similar services" while collecting regular UC or other types of unemployment benefits. (TEGL No. 20-11, section g.) A waiver of the EUC RES/REA requirement is appropriate when the state determines that an individual has completed similar services within the last 3 months of such determination. These may include:

   - Completed participation in a state REA program while receiving regular unemployment benefits.

     This means the claimant must have completed participation in the following required REA activities: 1) Unemployment Insurance (UI) eligibility assessment, 2) orientation to services in the American Job Center (formerly known as One-Stop Career Centers), which includes provision of Labor Market Information, and 3) development or review of an individual reemployment plan that includes work search activities, and referral to RES (See Section 6.C. of UIPL No. 10-12).

   - Completed participation in the state's *Worker Profiling and Reemployment Services (WPRS)* program while receiving regular unemployment benefits provided that these WPRS services included: 1) orientation to the American Job Center services including the provision of labor market information, 2) an individual skills assessment, and 3) development of a reemployment or work search plan (see UIPL No. 41-94).

     If the claimant participated in some of these activities, but not all, the state must schedule the claimant for those activities/services that the claimant has not yet received to meet the EUC RES/REA requirement (the state may report this as a completed RES/REA).

- Completed participation in the state's UC *Eligibility Review Program* (ERP) while receiving regular unemployment benefits.

  The ERP activities must have included: 1) a UI eligibility review, 2) information about employment services and an individual skills assessment, and 3) development of a reemployment or work search plan (see GAL No. 5-77).

  If the claimant participated in some of these activities, but not all, the state must schedule the claimant for those activities/services that the claimant has not yet received to meet the EUC REA requirement (the state may report this as a completed RES/REA).

7. **Question:** What other types of services are considered "similar services" for the purpose of waiving EUC RES/REA participation requirements?

   Answer: The Department interprets "similar services" to be any other services provided to the claimant (through any other forum and in another context and/or by other service providers) within 3 months before the state makes the determination on the participation requirement, and that included: 1) an orientation to services available through the American Job Center; 2) the provision of labor market and/or career information; 3) an individual skills assessment; and 4) a UC eligibility review and/or a review of the claimant's work search under the state's requirements.

   If the claimant participated in some of these activities, but not all, the state must schedule the claimant for those activities/services that the claimant has not yet received to meet the EUC REA requirement (the state may report this as a completed RES/REA).

Breaks in a Claim Series

8. **Question:** If a claimant returns to work after receiving, for example, only three weeks of EUC First Tier benefits and stops filing EUC weekly claims but later is separated and begins filing again, must the claimant be rescheduled for an EUC RES/REA?

   Answer: Yes. A claimant who has a break in their EUC First or Second Tier claim series because s/he returned to work (or for any other reason) must be scheduled for the EUC RES/REA. The purpose of this requirement is to assist these claimants in finding (permanent) work; since the claimant has again become unemployed, s/he is still in need of these RES/REA services and the requirement still applies.

Transition from EUC to UC

9. **Question:** If an EUC claimant qualifies for and begins receiving regular UC benefits before being scheduled for the EUC RES/REA, is the claimant still required to participate in these RES/REA services?

   Answer: No. The EUC RES/REA requirement applies only to designated claimants receiving EUC. Claimants receiving regular UC are, of course, subject to the regular UC REA requirements, if selected, in states operating a UC REA program.

B. In-person Requirement for the REA

1. **Question:** Like other states, our state has physical capacity limitations in a number of American Job Centers. To avoid backlogs, may states be allowed some flexibility in conducting the EUC RES/REA work search review by phone, when, for example, capacity in the American Job Center has been exceeded?

Answer: The Department is sympathetic to legitimate administrative concerns of state workforce agencies implementing this requirement. However, the clear intent of Section 2142 of the Act is to require EUC claimants to physically report in person to an American Job Center for the reemployment and eligibility assessment. If necessary, states must acquire alternative locations or venues to provide REAs as prescribed by the Act. Under the Act, the eligibility review related to the claimant's work search must be completed with the claimant physically present. A state may choose to require that additional activities be performed in person but may not, absent extraordinary circumstances, choose to complete the eligibility review remotely.

2. **Question**: How many weeks of work search records must the state review during the claimant's in-person EUC REA work search review?

   Answer: At least one week of an individual's work search records/activities must be reviewed during the in-person EUC REA. However, claimants must be advised that they must maintain records of their required work search activities while they are filing continued claims for benefits, and they must provide such records upon request by the state agency.

   Note: All individuals receiving EUC are potentially subject to random audits of their work search activities under new section 4001(b)(4) of the EUC law.

3. **Question**: Are states required to conduct a full review of the claimant's eligibility or only a review of the work search?

   Answer: States must review the claimant's eligibility with respect to the work search; however, in doing so, any eligibility issues that may arise with respect to any other EUC eligibility requirements must be addressed and must be adjudicated.

4. **Question**: If a state, for justifiable cause, excuses a claimant from participation in EUC RES/REA activities, may it also waive the EUC work search requirements and/or employment service registration?

   Answer: No. The EUC law includes certain mandatory and optional EUC RES/REA activities for which participation is excused when the state issues a waiver based on justifiable cause. However, EUC claimants selected and later excused from participation in the EUC RES/REAs remain subject to the broader requirements that apply to all EUC claimants. The EUC statute, as amended, requires that all EUC claimants (with certain exceptions such as claimants in approved training and job attached claimants such as those participating in Short-Time Compensation programs), whether or not they are participating in the EUC RES/REA activities, establish that they are "actively seeking work." To meet this requirement, each EUC claimant must:

   - Register for employment services as prescribed by the state agency;
   - Engage in an active search for work that is appropriate in light of the labor market and the individual's skills and capabilities, and include an appropriate number of employer contacts as determined/prescribed by the state;
   - Maintain a record of his/her work search, including employers contacted, method of contact, and date of contact; and
   - When requested, provide such work search record to the state agency.

These work search activities are not discharged when the state waives the requirement for participation in the EUC RES/REA program. Every EUC claimant must be advised of and meet these new EUC work search requirements to qualify for benefits. As previously mentioned, claimants may also be subject to an audit of their work search activities if selected during the random audit.

5. **Question**: If the state's work search requirements are the same as the EUC requirements does the state need to notify the claimants again of the requirements?

   Answer: Yes. It is prudent and responsible for the state to advise all EUC claimants of the statutory requirements they must meet, including the work search requirements, even if they are equivalent to a state's regular UC work search requirements. Note: States were advised in UIPL 04-10, Change 9, to immediately begin notifying EUC claimants of the new EUC work search requirements.

6. **Question**: Our state collects and maintains an electronic record of the work search activities, which is collected when claimants file their claim and this information can be accessed in the American Job Centers during the REA work search activities review. Since the information is available on-line, may this on-line information be used for the REA review rather than the claimants' copies of their work search records?

   Answer: Yes. States that capture the claimant's work search activities on-line may use those records during the work search review, which is conducted in-person with the claimant in the American Job Center. The state must; however, continue to advise claimants that they are required to maintain their own record(s) of their work search activities as required by the Act.

7. **Question:** If a claimant reports to an American Job Center in one location and the review of the claimant's work search is conducted remotely by video conferencing by another agency staff person from another location, would the in-person requirement be met?

   Answer: Yes. The in-person requirement for the work search review will be met if/when the review is conducted by video conferencing providing the claimant has physically reported to an American Job Center to participate in the eligibility review related to the claimant's work search activities.

8. **Question**: If a claimant is attending training under the Trade Adjustment Assistance (TAA) program while receiving EUC, may states waive the REA participation requirement?

   Answer: Yes, the state may waive the RES/REA requirement if a claimant is attending TAA training (see 20 CFR 617.18(b)).

C. Reemployment Services Provided Remotely

1. **Question:** May states accept a claimant's attestation that s/he has completed a given RES when such service is provided remotely or on-line?

   Answer: Yes. The state may accept a claimant's attestation that s/he completed a given service. Such attestation or documentation of completion of the service must be a part of the claim record. Given the resource constraints, states may elect to provide certain required reemployment services, including skills assessments, on-line. States that have

the capacity to track the on-line services accessed by participants should collect and store this information in their management information system. States that have on-line tools that provide certificates of completion should advise participants to print the certificate for their records, to be provided to the state upon request.

2. **Question:** Our state plans to use the Department's national tools (e.g. *MySkillsMyFuture, MyNextMove*, or the Skills Profiler) and/or other on-line resources. However, these resources do not provide certificates of completion. May these tools still be used to meet the RES/REA requirement?

   Answer: Yes, these tools may be used for the skills assessment and/or for the LMI information. States using these national tools will need to establish procedures to document the claimant's participation in the required reemployment services using the appropriate part of these tools. For example, claimants may be directed to the required online reemployment services before being scheduled to report to the American Job Center for the review of their work search activities and they could be asked to attest to the completion of the required services at that time. The state's policies and procedures should describe how the self-attestation is obtained; how participants are notified of the attestation requirement; how issues are resolved when, for example, staff has doubts about whether an individual took an online course; and how the state ensures that staff follows those policies and procedures.

3. **Question**: May states allow claimants to use *MySkillsMyFuture* to meet the skills assessment requirement?

   Answer: Yes. *MySkillsMyFuture,* which offers personalized career suggestions based on a person's interests and level of work experience, may be used to meet this requirement .

D. Eligibility Issues

1. **Question:** Our state has an "illness/disability" provision that provides for continuing eligibility for benefits if the individual becomes ill or disabled after they filed or reopened their claim for benefits. These individuals are not held ineligible under the "able and available" or "actively seeking employment" provisions, as long as they have not been offered suitable work which they refused because of the illness or disability. May these individuals be excluded from the pool of individuals required to report for a REA?

   Answer: Yes. The state may choose to waive the participation requirement for individuals who under the state law fall under an "illness/disability" exemption based on "justifiable cause" under section 4001(i)(3)(B) of the EUC law, as amended.

2. **Question:** If a claimant receives a waiver for the EUC RES/REA does this mean that the claimant would be excluded from the population for the random audit of work search activities?

   Answer: No. Selection to participate in EUC RES/REA activities and selection for random audit are separate matters. All EUC claimants, whether or not selected to participate in EUC RES/REA activities, are required to meet the new requirement, under section 4001(h), that they be "actively seeking work." Section 4001(h) also requires the state in any given week to audit, on a random basis, work search records for a certain number of EUC files, to be determined by the Department. The statute requires that files

be selected on a random basis. If, in the course of auditing the records for a given claim, it turns out the state has exempted the claimant from the requirement to register with the employment service and the work search is waived because the claimant is a union member, the state must verify the claimant's union status.

3. **Question:** May states begin paying First Tier or Second Tier benefits before scheduling the EUC RES/REA?

   Answer: Yes. States must begin paying benefits in a timely manner to individuals who meet the threshold eligibility requirements for these benefits. States were required to advise individuals of the new EUC work search requirements and prescribe the ways in which the claimant must fulfill them. States were also required to begin notifying these individuals by the third week in their EUC claim series that they must report for the required EUC RES/REA at an American Job Center for an eligibility assessment and appropriate reemployment services. The eligibility review, including the work search review, is a core activity which is required by statute to be completed with the claimant physically present. A state may choose to require that additional activities be performed in person. The in-person EUC RES/REA, generally, must be scheduled by the individual's sixth week in their EUC (First/Second tier) claim series.

E. Staffing Guidelines

1. **Question:** Our state has hired retirees to help with the EUC RES/REA workload and these employees are temporary grant employees paid by UC contingency funds. May the states use these temporary employees to conduct the EUC work search review?

   Answer: Yes, provided any temporary employees performing inherently governmental work, as explained in TEGL No. 20-11, Section 7, Staffing Guidelines, are hired and covered under the state's merit system and the staff costs are charged to the EUC administrative funds.

2. **Question**: Which agency or program staff has the responsibility for scheduling claimants for the EUC RES/REA services, that is, UC staff or the Employment Service staff?

   Answer: The state must determine which program office/staff has responsibility for scheduling claimants for EUC RES/REA services. Regardless of which agency (program) has this responsibility and/or receives the funding for these services, states must ensure collaboration among the state's UC and workforce programs, as well as Local Workforce Boards and American Job Centers. States are encouraged to consider development of a cross-program agreement or a Memorandum of Understanding to formalize the implementation strategy, as appropriate. In determining which agencies will perform which functions, please refer to TEGL No. 20-11, Section 7, Staffing Guidelines, for the Department's guidance on which tasks must be performed by government employees.

F. Administrative Funding

1. **Question:** May the state UI agency provide a "lump sum" portion of its share of the $500 million American Recovery and Reinvestment Act (ARRA) Special Administration transfer to the state ES/WIA agency to provide reemployment services to UI claimants, including reemployment services for EUC claimants?

Answer: Yes. If a state has funds remaining from the $500 million ARRA distribution, a "lump sum" transfer from one state agency to another for these purposes is permissible to conduct EUC RES/REA activities. One of the purposes for which the funds were provided was for staff-assisted RES for UI claimants and state use of their shares of the $500 million for such purpose should be included in the states' spending plans per TEGL 32-11. The Department continues to urge states to spend their allotments from this distribution as quickly as feasible and prudent, consistent with the intent of the statute under which the funds were appropriated.

2. **Question:** Will there be any special fiscal reporting required on how the state spends the share of funds it transfers to the State Employment Service (ES) or Workforce Investment Act of 1998 (WIA) agency to help implement these new EUC RES/REA requirements?

   Answer: No. The state agency expenditures of the Special Distribution should be reflected on the appropriate Employment and Training Administration (ETA) required reports (i.e., the ETA-8403 and ETA-2112 reports).

3. **Question:** May states use funds from their share of the $500 million Special Distribution to pay for costs associated with providing the EUC RES/REA services such as conference room fees, printing costs, etc.?

   Answer: The Recovery Act specified that states must use their share of the $500 million for expenses incurred on certain activities, including "staff-assisted reemployment services for unemployment compensation claimants." To the extent that conference room fees and printing or other costs are incurred in the course of administering these newly required EUC RES/REA services, the funds from the Special Distribution may be used to pay for those expenses.

4. **Question**: May the state use funding provided to administer the EUC program to hire additional staff to administer the RES/REA services in local offices?

   Answer: Yes. The state may use EUC administrative funding to hire additional staff to administer the RES/REA program in local offices providing that such staff are merit staff. This staff may include state retirees hired through the state's merit staffing system. Please refer to the staffing guidelines in TEGL No. 20-11.

5. **Question**: States have some offices that cannot handle the EUC RES/REA volume and will need to offer services offsite. Is it permissible to use EUC administrative funds to rent a facility (like an auditorium, large classroom at a community college) for EUC RES/REA services?

   Answer: Yes. It is permissible to use EUC administrative funds to rent such facilities to the extent that the facilities are needed for the EUC RES/REA activities.

6. **Question:** Our state may remotely conduct (i.e., via telephone or Internet) an EUC RES/REA for those individuals who would otherwise have to be waived due to the long distance that they would have to travel to get to an American Job Centers. These individuals can still benefit from these services, even if conducted remotely rather than in person due to the commuting distance. Will our state be allowed to get the $85 for this EUC RES/REA?

   Answer: Yes, if the individual would qualify for a waiver because the individual resides in an area of the state where there are not services available within a reasonable

commuting distance, the state may provide such services remotely and receive funding for these services. However, this is allowed **only** when the individual(s) would have otherwise qualified for a waiver and only when the individual completes all the required services. The claim record must contain documentation of the commuting distance to the nearest American Job Center to substantiate this method of service delivery.

7. **Question:** Subsequent to the passage of the Act, some states began to incur implementation costs related to this RES/REA requirement (i.e., for planning and information technology (IT) programming) in order to be prepared to schedule these activities timely. Are these implementation and IT costs allowable costs?

   Answer: Yes, costs incurred subsequent to enactment of the Act and in the same fiscal year are allowable costs.

8. **Question**: How are funds for the EUC RES/REA distributed to the states?

   Answer: The ETA Grant Officer will assign a separate line on either the UC or the ES grants to provide obligational authority for RES/REA administrative funds, depending upon which agency has been designated to manage the funds. A separate sub-account for these funds will be set up in the Payment Management System for states to draw down the administrative funds. The Department has advanced to state agencies funding for the number of projected RES/REAs times $85.00 through June 30, 2012, and additional advances will made available as necessary. The final amount of obligational authority issued to each state will be reconciled with the total number of completed or substantially completed RES/REAs reported on the ETA 9128u report.

9. **Question**: For what period of time will states be able to obligate funds made available to conduct EUC RES/REA?

   Answer: These funds are awarded to states to provide RES/REA services to EUC claimants at specific points in their claims series, so the expectation is that the funds would be expended as the workload materializes. RES/REA services would not be provided after the expiration of the EUC program in early January 2013. States should not need to obligate funding for these purposes beyond that point, except for the reconciliation of accounts. Funds allocated in FY 2013 would have to be obligated by states by September 30, 2018, and those allocated in FY 2012, twelve months earlier.

10. **Question**: States received the Notice of Obligation (NOO) for the funds related to the EUC RES/REA, dated April 1, 2012. TEGL No. 20-11, dated March 16, 2012, notified states that "individuals who begin receiving EUC First Tier benefits or who transition from First Tier to Second Tier benefits on or after March 23, 2012" must receive RES/REA services. My state expended resources to comply with the March 23rd date after receiving the TEGL. Since the NOO is dated April 1, are we prohibited from using any of the funds provided to pay expenses incurred for implementing and conducting EUC RES/REA services before that date?

    Answer: No. States may use their distributions under the "$85" appropriation to cover costs associated with EUC RES/REA activities required by TEGL No. 20-11, even if those costs were incurred before the date when the funds became available to states. In addition, the NOO states the funds are to be used consistent with instructions provided in TEGL No. 20-11.

G. Reporting Requirements

1. **Question:** May states report EUC RES/REA services that have been substantially completed (for example, the provision of labor market information, the skills assessment, and the in-person eligibility review related to the work search activities were completed; however, the orientation to One-Stop services was not completed because the claimant failed to participate in this one service and, thus, an appropriate denial was issued for failure to report, as directed)?

   Answer: Yes. States may report EUC RES/REA services that have been substantially completed. The RES/REA will be considered substantially completed when the services have been either completed and/or the failure to complete one or more of the services has been addressed by the state, such as through appropriate denials/disqualifications.

2. **Question:** If a claimant is scheduled for an EUC RES/REA but is later determined ineligible for EUC, should the RES/REA still be reported?

   Answer: Yes. If the claimant participated in the EUC RES/REA even though s/he was later determined to be ineligible for EUC, the state may report the EUC RES/REA.

   Note: Only those claimants receiving EUC benefits are required to participate in the RES/REA; however, the Department recognizes that there may be times when a RES/REA is completed around the same time that the claimant's eligibility status changes; if that happens the state should report the EUC RES/REA.

3. **Question:** If an EUC claimant receives an EUC RES/REA but is scheduled for an additional RES service later, how are these services reported?

   Answer: The EUC RES/REA is reported one time only. The additional services should be reported on the relevant lines of the ETA 9002 report when the required REA services have been completed.

H. Training Services

1. **Question:** May states provide training to EUC claimants as part of the optional services?

   Answer: Yes. To the extent that states have funding to provide needed training to an individual, states are encouraged to provide such training as part of the optional services. However, first states must ensure they are fully meeting their obligations to provide required EUC RES/REA activities.