

**DEPARTMENT OF LABOR****Employment and Training Administration**

[TA-W-37,563]

**Tecumseh Products Company, Somerset, Kentucky; Notice of Negative Determination Regarding Application for Reconsideration**

By application dated July 7, 2000, attorneys on behalf of the workers (hereinafter referenced as the petitioner), request administrative reconsideration of the Department's negative determination regarding eligibility to apply for Trade Adjustment Assistance (TAA), applicable to workers and former workers of the Tecumseh Products Company, Somerset, Kentucky. The denial notice was signed on May 12, 2000, and published in the **Federal Register** on June 8, 2000 (65 FR 36469).

Pursuant to 29 CFR 90.18(c) reconsideration may be granted under the following circumstances:

- (1) If it appears on the basis of facts not previously considered that the determination complained of was erroneous;
- (2) If it appears that the determination complained of was based on a mistake in the determination of facts not previously considered; or
- (3) If in the opinion of the Certifying Officer, a misinterpretation of facts or of the law justified reconsideration of the decision.

To support the application for reconsideration, the petitioner provided a published article quoting a company official of Tecumseh Products Company linking the Somerset plant closing with the dumping of cheap Asian compressors in the United States, devastating the subject firm customer base. The petitioner states also that the article cites that the layoffs and plant closure are intended to help Tecumseh cut prices so it can combat the challenge.

The workers at Tecumseh Products Company, Somerset, Kentucky, produced refrigeration and air conditioner compressors. The workers were denied eligibility to apply for TAA based on the finding that the contributed importantly criterion (3) of the worker group eligibility requirements of Section 222 of the Trade Act of 1974, as amended, was not met. Section 222 (3) requires that increased imports of articles like or directly competitive with those produced at the subject firm contribute importantly to declines in sales or production and worker separations.

Layoffs at Tecumseh Products Company were attributable to the company's decision to transfer production to other domestic facilities. The investigation further revealed that the majority of the output at the Somerset, Kentucky plant was for the export market. A loss of export market business cannot be considered a basis for worker group certification.

**Conclusion**

After review of the application and investigative findings, I conclude that there has been no error or misinterpretation of the law or of the facts which would justify reconsideration of the Department of Labor's prior decision. Accordingly, the application is denied.

Signed at Washington, D.C., this 17th day of July 2000.

**Grant D. Beale,**

*Program Manager, Division of Trade Adjustment Assistance.*

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**BILLING CODE 4510-30-M**

**DEPARTMENT OF LABOR****Employment and Training Administration****Solicitation for Grant Applications (SGA) H-1B Technical Skill Training Grants**

**AGENCY:** Employment and Training Administration (ETA), Labor.

**ACTION:** Notice of availability of funds and solicitation for grant applications (SGA).

**SUMMARY:** *This Notice contains all of the necessary information and forms needed to apply for grant funding.* The Employment and Training Administration (ETA), U.S. Department of Labor (DOL), announces the availability of grant funds for skill training programs for unemployed and employed workers. Funding for these grants is coming from the user fee mandated for applicants for new H-1B nonimmigrant visa workers and established under the American Competitiveness and Workforce Improvement Act of 1998 (ACWIA). The grants will have the longer term goal of raising the skill levels of domestic workers so that they can fill high skill jobs which are presently being filled by temporary workers being admitted to the United States under the provisions of H-1B. Department of Labor will convene Bidders Conferences in early August to share information with eligible applicants and other interested

parties. Detailed information as to the exact times and locations of these sessions together with other pertinent facts may be found on the ETA web page (<http://www.doleta.gov>) or by calling a toll-free help line (1-877-US2-JOBS).

Eligible applicants for these grants will be local Workforce Investment Boards (WIBs) established under section 117 of the Workforce Investment Act (WIA) that will carry out such programs or projects through one-stop delivery systems established under section 121 of WIA, or regional consortia of local boards. Regional consortia may be interstate. Successful applicants under earlier H-1B Solicitations will be eligible for grants under this competition; however those current awardees will be required to indicate that this proposal provides a completely new approach to skill training (including a different skill shortage area, e.g., health occupations rather than information technology) from that being conducted under their current grant. Proposals submitted by those current awardees will be subject to pre-screening to assure that they propose an approach that is clearly innovative and different from the activity that was implemented under the previous award.

WIA provides a framework for a national workforce investment and employment system designed to meet both the needs of the nation's businesses and the needs of job seekers and workers who want to further their careers. ACWIA will provide resources for skill training in occupations that are in employer demand; one measure of this demand is employer H-1B applications for workers. In particular, industries that appear to generate the most H-1B demand include information technology and health. Appendix A to this Solicitation provides information on the kinds of occupations certified under the H-1B program by the Department of Labor for Fiscal Year 1999 (Oct.1, 1998 to May 1999), and the number of job openings certified in each occupation.

This notice describes the application submission requirements, the process that eligible entities must use to apply for funds covered by this solicitation, and how grantees will be selected. It is anticipated that about \$45 million will be available for funding the projects covered in this second-round solicitation, that approximately fifteen projects will be selected for funding,

and that the maximum grant award will not exceed \$3.0 million.

**DATES:** Applications for grant awards will be accepted commencing immediately. The closing date for receipt of applications shall be September 19, 2000 at 4 p.m. (Eastern Time) at the address below.

**ADDRESSES:** Applications shall be mailed to the U.S. Department of Labor, Employment and Training Administration, Division of Federal Assistance, Attention: Diemle Phan, SGA/DFA 00-108, 200 Constitution Avenue, NW, Room S-4203, Washington, D.C. 20210.

**FOR FURTHER INFORMATION CONTACT:** Questions should be faxed to Diemle Phan, Grants Management Specialist, Division of Federal Assistance, Fax (202) 219-8739. This is not a toll free number. All inquiries should include the SGA number (DFA 00-108) and a contact name, fax and phone number. This solicitation will also be published on the Internet on the Employment and Training Administration's Homepage at <http://www.doleta.gov>. Award notifications will also be published on this Homepage.

### Background

This initiative will build on similar ETA initiatives that deal with the issue of skill shortages including the June 1998 dislocated worker technology demonstration, the new dislocated worker technology demonstration, the regional skills consortium building awards announced in March 2000, the individual training account demonstration grant awards announced in February 2000 and the skills strategies, partnership training/system building demonstration awards which were announced in June. These efforts were intended to strengthen linkages between employers experiencing skill shortages in specific occupations and the publicly funded workforce development system. In June 1998, \$7.5 million in JTPA Title III dislocated worker funds was awarded to 11 organizations throughout the country to train workers in skills related to the information technology industry. In June 1999, over \$9.57 million was awarded to 10 grantees to train dislocated workers in the skills necessary to obtain work requiring advanced skills in occupations in manufacturing industry settings, including computers and electronics manufacturing, machinery and motor vehicles, chemicals and petroleum, specialized instruments and devices, and biomedics. On March 2, 2000, 23 awards totaling \$15.2 million were

announced for the regional skills consortium competition. Finally, this Solicitation is taking into account the experience gained from the first and second rounds of the H-1B competition for which 9 awards totaling \$12.4 million were announced on February 10, 2000 and 12 awards totaling \$29.2 million were announced on July 19, 2000.

**SUPPLEMENTARY INFORMATION:** ETA is soliciting proposals on a competitive basis for the conduct of demonstration projects to provide technical skills training for workers, including both employed and unemployed workers. This announcement consists of three parts:

- Part I Application Process.
- Part II Statement of Work/Reporting Requirements.
- Part III Review Process/Rating Criteria

### Legislative Mandate

The relevant portions of ACWIA dealing with the establishment of a fund for implementing a program of H-1B skill training grants state:

*“Section 286(s)—H-1B Nonimmigrant Petitioner Account*

(1) *In General*—There is established in the general fund of the Treasury a separate account, which shall be known as the “H-1B Nonimmigrant Petitioner Account.” Notwithstanding any other section of this title, there shall be deposited as offsetting receipts into the account all fees collected under section 214(c)(9).

(2) *Use of Fees For Job Training*—56.3 percent of amounts deposited into the H-1B Nonimmigrant Petitioner Account shall remain available to the Secretary of Labor until expended for demonstration programs and projects described in section 104(c) of the American Competitiveness and Workforce Improvement Act of 1998.”

*“Section 104(c)—Demonstration Programs and Projects To Provide Technical Skills Training for Workers*

(1) *In General*—In establishing demonstration programs under section 452(c) of the Job Training Partnership Act (29 U.S.C. 1732(c)), as in effect on the date of the enactment of this Act, or demonstration programs of projects under section 171(b) of the Workforce Investment Act of 1998, the Secretary of Labor shall use funds available under section 286(s) to establish demonstration programs or projects to provide technical skills training for workers, including both employed and unemployed workers.

(2) *Grants*—The Secretary of Labor shall award grants to carry out the programs and projects described in paragraph (1) to—

(A)(i) private industry councils established under section 102 of the Job Training Partnership Act (29 U.S.C. 1512), as in effect on the date of the enactment of this Act; or

(ii) local boards that will carry out such programs or projects through one-stop delivery systems established under section 121 of the Workforce Investment Act of 1998; or

(B) regional consortia of councils or local boards described in subparagraph (A). The Immigration and Nationality Act (INA) (section 101(a)(15)(H)(i)(b)) defines the “H-1B alien as one who is coming temporarily to the United States to perform services in a specialty occupation or as a fashion model.”

The INA (Section 214(i)) sets criteria to define the term “specialty occupation:”

(1) For purposes of section 101(a)(15)(H)(i)(b) and paragraph 2, a “specialty occupation” means an occupation that requires—

(A) theoretical and practical application of a body of highly specialized knowledge and,

(B) attainment of a bachelor's or higher degree in the specific specialty (or its equivalent) as a minimum for entry into the occupation in the United States

(2) For purposes of section 101(a)(15)(H)(i)(b), the requirements of this paragraph with respect to a specialty occupation are—

(A) full state licensure to practice in the occupation, if such licensure is required.

(B) completion of the degree described in paragraph (1)(B) for the occupation, or

(C)(i) experience in the specialty equivalent to the completion of such degree, and (ii) recognition of expertise in the specialty through progressively responsible positions relating to the specialty.

### Part I—Application Process

#### A. Eligible Applicants

ACWIA specifies under Section 104(c)(2) that the Secretary shall award grants to private industry councils (PICs) established under section 102 of the Job Training Partnership Act (JTPA) (Note: The Workforce Investment Act was implemented on July 1, 2000 and superseded JTPA; therefore private industry councils have been replaced by workforce investment boards), or local boards that will carry out such programs or projects through one-stop delivery

systems established under section 121 of the Workforce Investment Act (WIA) of 1998, or regional consortia of councils or local boards. This Solicitation contemplates that the local boards will designate a fiscal agent to be the recipient of grant funds. Successful applicants under earlier H-1B Solicitations will be eligible for grants under this competition; however those current awardees will be required to indicate that this proposal provides a completely new approach to skill training (including a different skill shortage area, *e.g.*, health occupations rather than information technology) from that being conducted under their current grant. Proposals submitted by those current awardees will be subject to pre-screening to assure that they propose an approach that is clearly innovative and different from the activity that was implemented under previous award.

While the statute is quite specific about the fact that only local boards (through their designated fiscal agents) and consortia may apply for and receive these grant awards, it does not preempt the participation of other concerned entities which are integral to the process of planning for and conducting skill training in skill shortage areas. The Department of Labor is requiring that eligible applicants must demonstrate that they have the involvement of a wide representation of the business community in their region. They are also strongly encouraged to reach out widely and involve a broad spectrum of other organizations such as labor unions, community colleges and other postsecondary educational institutions, and community based and faith based organizations in a partnership or consortium arrangement.

Applicants are encouraged to associate with entities which possess a sound grasp of the job marketplace in the region and which are in a position to address the issue of skill shortage occupations. Such organizations would include private, for profit businesses—including small- and medium-size businesses; business, trade, or industry associations such as local Chambers of Commerce and small business federations; and labor unions. Also, those entities should include businesses and business associations which have experienced first hand the problems of coping with skill shortages and which employ workers engaged in skill shortage occupations. This Solicitation will not prescriptively define the roles of individual entities within the partnership beyond requiring, as ACWIA states, that local workforce investment boards, or consortia be the

applicant and the recipient of (or fiscal agent for receiving) grant funds. It is anticipated, however, that the proposal will provide a detailed discussion of participating organizations' respective responsibilities. The proposal should describe a consortium of several employers that will lead the consortium and provide matching funds and who intend to employ workers participating in the technical skills training.

Based on Department of Labor experiences, regional partnerships that actively engage a wide range of participation from community groups—particularly with strong private employer involvement—appear to be successful. In general, applicants will be encouraged to include a broad spectrum of stakeholder groups, including such employers, in their partnership effort. Also, local workforce investment boards or consortia thereof representing more than one region that share common economic goals may band together as one applicant rather than applying individually.

The application must clearly identify who the applicant is (or who the fiscal agent is). As part of this certification, the applicant must identify who the grant recipient (and/or fiscal agent) is and describe its capacity to administer this project; it shall also indicate that the project is consistent with and will be coordinated with the workforce investment system(s) that are involved in technical skills activities in the region(s) encompassed by the applicant.

Part III of this announcement enumerates and defines in depth a series of criteria that will be utilized to rate applicant submissions. Briefly, these criteria are:

- Statement of Need
- Service Delivery Strategy
- Target Population
- Sustainability
- Linkages with Key Partners
- Outcomes
- Cost Effectiveness

#### *B. Submission of Proposals*

Applicants must submit four (4) copies of their proposal, with original signatures. The proposal must consist of two (2) separate and distinct parts, Parts I and II.

• Part I of the proposal shall contain the Standard Form (SF) 424, "Application for Federal Assistance" (Appendix B) and the Budget Information Form (Appendix C). The individual signing the (SF) 424 on behalf of the applicant shall represent the responsible financial and administrative entity for a grant should that application result in an award. The individual who signs the application

should be the same individual who signs the certification discussed in the previous section. According to the Lobbying Disclosure Act of 1995, Section 18, an organization described in Section 501 (c) 4 of the Internal Revenue Code of 1986 which engages in lobbying activities shall not be eligible for the receipt of federal funds constituting an award, grant, or loan.

In preparing the Budget Information form, the applicant must provide a concise narrative explanation to support the request. The statutory language of ACWIA is specific in stating that grant resources are to be expended for programs or projects to provide technical skills training. Therefore, ACWIA grant resources to be utilized for the costs of administration will be limited to no more than 10 percent of the request and should clearly support the goals of the project. Administrative costs include such items as project staff, travel, and fungible supplies. In general, however, this does not contemplate or permit the purchase of capital equipment. The budget narrative should discuss precisely how the administrative costs support those goals.

• Part II must contain a technical proposal that demonstrates the Offeror's capabilities in accordance with the Statement of Work contained in this announcement. A grant application is limited to twenty (20) double-spaced, single-side, 8.5 inch × 11 inch pages with 1-inch margins. The Offeror may provide statistical information and related material in attachments. Attachments may not exceed fifteen (15) pages. Letters of commitment from partners or from those providing matching resources may be submitted as attachments; however, letters of support are not required. Such letters will not count against the allowable maximum page total. The Applicant must briefly enumerate those entities in the text of the proposal. Text type shall be 11 point or larger. Applications that do not meet these requirements will not be considered. Each application must include a Time Line outlining project activities and an Executive Summary not to exceed two pages. The Time Line and the Executive Summary do not count against the 20 page limit. No cost data or reference to price is included in the technical proposal.

#### *C. Hand Delivered Proposals*

If proposals are hand delivered, they must be received at the address identified above by September 19, 2000, at 4:00 p.m., Eastern Time. All overnight mail will be considered to be hand delivered and must be received at the designated place by 2:00 on the

specified closing date. Telegraphed and/or faxed proposals will not be honored. Failure to adhere to the above instructions will be a basis for a determination of nonresponsiveness.

#### D. Late Proposals

A proposal received at the designated office after the exact time specified for receipt will not be considered unless it is received before award is made and it:

- Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of applications (e.g., a proposal submitted in response to a solicitation requiring receipt of applications by the 20th of the month must be mailed by the 15th);

- Was sent by U.S. Postal Service Express Mail Next Day Service, Post Office to addressee, not later than 5 p.m. at the place of mailing two working days prior to the date specified for proposals. The term "working days" excludes weekends and U.S. Federal holidays. The only acceptable evidence that an application was sent in accordance with these requirements is a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied or affixed on the date of mailing by employees of the U.S. Postal Service.

#### E. Period of Performance

The initial period of performance will be up to 24 months from the date of execution of the grant documents. It is anticipated that about \$45 million will be disbursed. U.S. Department of Labor may elect to exercise its option to extend these grants for an additional period not to exceed 36 months, based on the availability of funding and successful program operation.

#### F. Definitions

For purposes of this solicitation:

- *Technical skills training* includes occupational skills training—that may combine academic and work-place learning and related instruction, customized training with a commitment of an employer or group of employers to employ an individual upon successful completion of training, and that may be tailored to meet the needs of the individual participant. Section 134 (d)(4)(D) of WIA provides a definition of training services that shall be viewed as generally applicable to the term "technical skills training" in this Solicitation. This definition of technical skills training specifically allows the use of grant funds to provide necessary books.

- *Region* means an area which exhibits a commonality of economic interest. Thus, a region may comprise a few labor market areas, one large labor market, one labor market area joined together with a couple of adjacent rural districts, a few special purpose districts, or a few contiguous local boards. Clearly, if the region involves multiple economic or political jurisdictions, it is essential that they be contiguous to one another. A region may be either intrastate or interstate. Although the rating criteria will provide more detail, it is the applicant's responsibility to demonstrate the regional nature of the area which that application covers. Also, a region may be coterminous with a single local board.

#### G. Sustainability

No applicant may receive a grant unless that applicant agrees to provide resources equivalent to at least 25 percent of the grant award amount as a match. That match may be provided in cash or in kind, however, Federal resources may not be counted against the matching requirement. In view of the fact that the singular focus of grant resources is to provide skill training, ETA particularly encourages the provision of essential capital equipment, such as computer equipment, as part of the match. The match will not be tied to the drawdown of funds, however, the amount and nature of it must be clearly described in the application.

The 25 percent matching requirement should be viewed as a minimum designed to assist grantees in developing sustainability. The Department is particularly interested that applicants demonstrate clear evidence through matched and/or leveraged resources (those Federal resources which may not be counted against match but which are integral to strengthening the quality of technical skills training provided and which contribute materially to sustainability) that the project will have the capacity to continue its training activities after the expiration date of the grant.

#### Part II—Statement of Work/Reporting Requirements

##### A. Principles

Five basic key principles underlie this effort:

- *Partnership Sustainability*: The grant awards will be of relatively short duration—up to 24 months. Although the primary focus of these awards is technical skill training, ETA intends that regional partnerships sustain themselves over the long term—well

after the federal resources from this initiative have been exhausted. The 25 percent non-Federal matching requirement is an integral part of ensuring sustainability; matching resources will help sustain the skill shortages training effort beyond the term of the grant. This concept relates to Links with Key Partners and Sustainability (What resources does each partner bring to the table and how does this contribution assist in building the foundation for a permanent partnership?)

- *Business Involvement*: Business is an essential partner. It articulates skill requirements, hires skilled workers, and provides support for lifelong learning. Under WIA, business plays a critical role in planning and overseeing training and employment activities. WIA requires that the majority of the membership of State and local boards be business representatives, and that the State and local board chairs be drawn from business. For the purpose of these grants, it is imperative that businesses represented include businesses with current skill shortages who intend to hire graduates of the technical skills training. This concept relates to three Rating Criteria: Statement of Need (Assists in determining what skill shortage occupations are in demand in the region), Linkages with Key Partners and Sustainability (What private sector involvement is there in the partnership; what resources does each of the partners bring to the table; how do contributions assist in building the foundation for a permanent partnership?), and Outcomes (Businesses involved in the partnerships will provide a key resource in hiring/upgrading workers who have been trained).

- *Current Skills Gap*: Current skill shortages are the immediate focus of this initiative. Training investments should be targeted in occupational areas that have been identified on the basis of H-1B occupations as skill shortage areas. This concept relates to Statement of Need (The most important issue to be addressed under this section is identifying the particular skill shortages that manifest themselves in the region.) and Service Delivery Strategy (How will skill training meet the skill needs of the region.)

- *Innovative and Effective Tools*: The grantees will use innovative or proven tools and approaches to close particular skills gaps and provide strategies for training that promote regional development. This concept relates to Service Delivery Strategy (There can be innovation in the way training services are provided.) and Cost Effectiveness (Innovative tools and approaches may

more effectively deliver training services to individual participants thereby resulting in better employment outcomes and higher levels of skill achieved by those participants for the same cost.)

- *Target Population:* The primary emphasis of the ACWIA technical skills training will be to focus on employed and unemployed workers who can be trained and placed directly in the highly skilled H-1B occupations. As part of identifying people with the appropriate backgrounds that would benefit from such training, there should be a special outreach effort to target women, minorities, persons with disabilities, and other underrepresented groups. This relates to the rating criterion, Target Population (Discussion of who the targeted workers are.)

#### B. Skills Shortages

Section 104(c) of ACWIA mandates that the grants awarded under this authority be used for technical skills training to employed and unemployed workers. The basis of the funding for the grants, however, is a user fee paid by an employer seeking nonimmigrant alien workers (H-1B) that possess qualifications in occupations with skill shortages at high skill levels in American industry. Thus, training conducted under these auspices should be in occupations that have been demonstrated to be in short supply. What is a skills shortage? In the simplest terms possible, such shortages occur in a market economy when the demand for skilled workers for a particular occupation is greater than the supply of workers who are qualified, available, and willing to do that job. Although, some of the explanations for why this demand or supply disequilibrium exists are fairly complex, the basic concept is straightforward. In many instances, labor markets adjust quickly and the skill shortage is resolved.

Problematic skills shortages occur when there is imbalance between worker supply and demand for an unusual period of time. The H-1B visa program is a response to those shortages, and this skill training grant program helps alleviate such shortages. It should be noted that the concept of skill shortages also may include an imbalance between the demand and supply of workers at some definable skill level.

#### C. Skills Standards

As noted earlier, the definition of the minimum proficiency level required to be considered an H-1B occupation, contained in section 214 (i) of INA, speaks to a very high skill level for these

“specialty occupations” (8 U.S.C. 1184 (i)). To reiterate, these are occupations that require “theoretical and practical application of a body of highly specialized knowledge,” and full state licensure to practice in the occupation (if it is required). These occupations also must require either completion of at least a bachelor’s degree or experience in the specialty equivalent to the completion of such degree and recognition of expertise in the specialty through progressively responsible positions relating to the specialty.

Skill standards represent a benchmark by which an individual’s achieved competence can be measured. Much work has been done in this area—some by private industry and trade associations, some by registered apprenticeship training systems, some by public and private partnerships, including local School-to-Work partnerships, and the Job Corps. Succinctly stated, well-defined skill standards can be a useful tool in matching training goals to targeted occupational areas. Applicants are encouraged to survey the progress to date in developing occupational skill standards in their communities. Do companies that will be seeking skilled workers for H-1B occupations have a clearly defined set of expectations for the requisite capabilities of those workers?

#### D. Regional Planning

Applicants must describe the local area or region that will be served with particular emphasis on its skill shortages. That discussion should include an articulation of the dimensions, nature and specifics of those skill shortages. The proposal must also identify the political jurisdictions to be included as well as provide an enumeration of the specific local areas under WIA. Although comprehensive occupational vacancy data do not exist, current H-1B applicant data should be utilized to the extent feasible to describe occupational shortages. Attachment A to this Solicitation is a listing by occupation of the most current H-1B applicant data. Applicants may take into consideration that occupations listed in high demand among those for which H-1B visas were sought nationally also might be in short supply in their region. However, applicants should avail themselves of all available local data including data provided by area businesses and business associations in making determinations as to shortages. They are encouraged to research widely and be inclusive in utilization of labor market information. In addition to the sources already described, applicants

are encouraged to analyze data made available by the Bureau of Labor Statistics and through the local One-Stop delivery system.

#### E. Service Delivery and Supportive Services

Applicants should carefully describe skill training that will be provided under the grant in context of the goals that are to be achieved by participants. These goals should be expressed in terms of targeted occupations. The Statement of Work should provide a detailed discussion of the kinds of training to be provided and the mechanisms to be used to provide it. Applicants also should build linkages to the One-Stop system established under WIA to reach out, inform, and recruit individuals to participate in the H-1B financed training. It is expected that the applicant’s work statement will include a discussion of the types of skills being trained for, the necessary skill levels that are targeted, how they will be measured, and how skill shortages in the local area or region will be met through this training.

The central role of the local boards in the planning and policy activity surrounding these grants is critical. WIA requires the local board to prepare a strategic workforce investment plan for the area that it embraces. The local board also designates One-Stop service center operators and selects eligible training providers. In short, local boards are already engaged in much of the necessary work that could provide a solid foundation for the training activities to be undertaken in ACWIA.

ACWIA requires that grant resources be used for technical skills training. However, ETA anticipates that applicants may need to make available a range of supportive services to enhance the quality and effectiveness of the skill training provided under the grant. Grant funds may not be used to provide supportive services. Appropriately focused services, however—such as transportation or child care and others defined by section 101(46) of WIA—could be viewed as an important factor enhancing the technical skills training package. To the extent that these services are provided utilizing non-Federal resources, applicants may present them as part of the proposed matching requirement. Federal resources such as coenrollment in WIA while participating in ACWIA training for supportive services clearly cannot be counted toward the matching requirement; however, such coordinated coenrollment and services are clearly desirable features of these projects. Successful applicants are encouraged to

leverage such Federal resources as part of making the technical skills training more effective.

#### F. Reporting Requirements

The Grantee is required to provide the reports and documents listed below:

- *Quarterly Financial Reports.* The grantee must submit to the Grant Officer's Technical Representative (GOTR) within the 30 days following each quarter, two copies of a quarterly Financial Status Report (SF269) until such time as all funds have been expended or the period of availability has expired.

- *Progress Reports.* The grantee must submit brief narrative quarterly reports to the GOTR within the 30 days following each quarter. Two copies are to be submitted; the report provides a detailed account of activities undertaken during that quarter including:

- a. A discussion of occupational areas for which skill training is being provided,
- b. Job placements in skill shortage occupations, and
- c. An indication of any current problems which may affect performance and proposed corrective action.

- *Final Report.* A draft final report which summarizes project activities and employment outcomes and related results of the demonstration shall be submitted no later than the expiration date of the grant. The final report shall be submitted in 3 copies no later than 60 days after the grant expiration date.

#### G. Evaluation

ETA will arrange for or conduct an independent evaluation of the outcomes, impacts, and benefits of the demonstration projects. Grantees must agree to make available records on participants and employers and to provide access to personnel, as specified by the evaluator(s) under the direction of ETA.

### Part III—Review Process and Rating Criteria

A careful evaluation of applications will be made by a technical review panel who will evaluate the applications against the criteria listed below. The panel results are advisory in nature and not binding on the Grant Officer. The Government may elect to award the grant with or without discussions with the offeror. In situations without discussions, an award will be based on the offeror's signature on the (SF) 424, which constitutes a binding offer. Awards will be those in the best interest of the Government.

#### A. Statement of Need (15 points)

The underlying statute authorizing this competitive grant program—ACWIA—is a response to skill shortages around the country in specific occupations. ETA has provided the most recent H-1B application data as an attachment to this solicitation. The most important issue to be addressed under this section is identifying, to the extent possible, the particular skill shortages that manifest themselves in the region that is encompassed by the application. Applicants are encouraged to utilize all available data resources—H-1B applications, newspaper want ads, expressed employer consortium hiring desires, and One Stop system's labor market information—in responding to this criterion. To provide a focused backdrop for the discussion of skill shortages, applicants should describe clearly the region for which services are to be provided. What are the characteristics that make this area a cohesive region? What are the particular characteristics of the local political, economic and administrative jurisdictions—local workforce investment boards, labor market areas, special district authorities—that caused them to associate for the purpose of this application? There are several useful items of information that could be provided to enhance the description of the region. A general discussion of the region should include socioeconomic data—with a particular focus on the general education and skill level prevalent in the area. Also, it is useful to include such items as transportation patterns, demographic information (such as age and general income of residents). Judicious use of statistical information is encouraged. Other pertinent questions that will provide greater depth of description include: What is the general business environment? What industries and occupations are growing, and which ones are cutting back? What are the characteristics of the major employers in the region? What is the particular situation of the consortium member companies?

#### B. Service Delivery Strategy (30 points)

Applicants must lay out a comprehensive strategy for providing the technical skills training that is mandated as the core activity of these grant awards. Concomitantly, there needs to be a discussion of how this skill training will meet the skill needs of the region. Several specific issues must be focused on as part of this section. Those issues include:

What is the range of potential training providers, what kinds of skill training will be offered, how will that meet the regional skill needs, and how will training be provided? How will the types of training planned for project participants be determined? Also, although there is a separate section on outcomes, it is strongly recommended that some brief mention in context of the service delivery strategy, be made of them here. Such outcomes would include job placements in skill shortage occupations, increased salary, and measurable skill gains or certificates obtained that demonstrate how the training will alleviate skill shortages.

Supportive services, per se, are not an allowable activity with grant funds. However, making such services available on an as needed basis (utilizing other available resources) is encouraged. Innovation in the context of service delivery can represent a wide variety of items. There can be innovation in the way training services are provided—e.g., distance learning to provide instruction, interactive video self-instructional materials, and flexible class scheduling (sections of the same class scheduled at different times of the day to accommodate workers whose schedules fluctuate). Creativity in developing the service strategy is also encouraged.

#### C. Target Population (10 points)

The eligibility criterion for skill training enumerated in ACWIA is extremely broad—employed and unemployed workers. This section should include an extensive focused discussion of who the targeted workers are, including their characteristics, and why they are being targeted. A discussion of what assessment procedures are to be used is integral. In the case of employed workers, there should be some articulation of what is to be accomplished. The applicant should address some specific issues relating to the target employed worker population such as:

- How many employed workers will be targeted for services and why?

- What are the technical skills training needs of those workers to fulfill skill shortage occupations? In the case of unemployed workers, there needs to be an extensive discussion of criteria to be used to assess and enroll individuals. It is true that the target occupations and specific jobs to be trained for within the H-1B rubric are statutorily geared to a very high skill standard. It is extremely important that the selection process for workers be carefully described to make it clear how those individuals will possess the capacity after the

completion of training to take jobs that previously were filled by resorting to the H-1B visa process. In particular, the applicant should describe with precision the methods that will be used to reach out and include minorities, women, and individuals with disabilities who can meet these standards.

*D. Sustainability (5 points)*

There is a 25 percent matching requirement. To what extent does any of these partners provide matching funds or services and how does this contribution assist in building the foundation for a permanent partnership, *i.e.*, sustainability? As noted earlier, Federal resources cannot be counted against the matching requirement; however, it is important that such resources be provided as part of the project because they certainly support and strengthen the quality of the technical skills training provided in the project and contribute materially toward sustainability. ACWIA resources are limited to training individuals to fill high skill H-1B jobs, however, applicants will be given preference for enumerating other resources -Federal and non Federal—because they can contribute materially toward sustainability. For example, local boards could commit through One-Stop centers such valuable participant services as participant assessment and case management. Applicants are encouraged to enumerate these resources under this section to support their discussion of sustainability. This section should also enumerate any specific existing contractual commitments. Briefly stated, the sustainability issue can be addressed by providing concrete evidence that activities supported by the demonstration grant will be continued after the expiration date of the grant using other public or private resources.

*E. Linkages With Key Partners (15 points)*

The applicant should enumerate who the partners are in this endeavor and how they will link together—*i.e.*, what role each will play. In particular, this section should articulate ties to the private sector, including ties with small- and medium-sized businesses and small business federations. The Service Delivery Strategy section of the Statement of Work described the role each of the actors would play in providing services. This section looks at

the linkages from a somewhat different more structural perspective with particular emphasis on the employers in the consortium that are experiencing skill shortages. What resources does each partner bring to the table? The application will specify a management entity (together with a staffing pattern and resumes of major staff members) and will articulate with some precision the roles of various actors. Each application MUST designate an individual who will serve as project director and who will devote a substantial portion of his/her time to it. (For purposes of this requirement, a substantial portion of time is defined as at least 40 percent.) A short portion of this discussion should dwell upon the organizational capacity and track record of the primary actors in the partnership.

*F. Outcomes (15 points)*

Applicants must describe the predicted outcomes resulting from this training. It is posited that the projected results will be somewhat varied given the broad range of people that will probably be served. For example, employed workers may be trained to achieve a higher skill level than most unemployed workers. Their success could manifest itself through job placements in H-1B skill shortage occupations, increased wages, or skill attainment in H-1B occupations. There are, however, unemployed workers who may well already possess a very high skill level. They could receive refresher technical skills training to update their skills. The outcomes for this group may also be projected in terms of gaining employment and skills attainment; those outcomes would simply be at a somewhat higher level than for those unemployed workers who do not possess similar skills at the outset. Ideally, the applicant's outcomes section will describe some version of a relatively cohesive mosaic that weaves together the outcomes for both employed and unemployed workers in the context described in the preceding three paragraphs. Additionally, the outcomes section should focus very specifically on the changes that occur because of the training. Thus, an applicant might state that a certain skill level is projected for a given group; but the applicant should couch that outcome in context of what the initial pre-training skill level had been for the group.

*G. Cost Effectiveness (10 points)*

Applicants will provide a detailed cost proposal including a discussion of the expected cost effectiveness of their proposal in terms of the expected cost per participant compared to the expected benefits for these participants. Applicants should address the employment outcomes and the levels of skills to be achieved (such as attaining State licensing in an occupation) relative to the amount of training that the individual had to receive to achieve those outcomes. Benefits can be described both qualitatively in terms of skills attained and quantitatively in terms of wage gains. Cost effectiveness may be demonstrated in part by cost per participant and cost per activity in relation to services provided and outcomes to be attained. This section MUST contain a detailed discussion of the size, nature, and quality of the non-Federal match. Proposals not presenting a detailed discussion of the non-Federal match or not meeting the 25 percent match requirement will be considered nonresponsive. Applicants are advised that discussions and/or site visits may be necessary in order to clarify any inconsistencies in their applications. The reviewers' evaluations are only advisory to the Grant Officer. The final decisions for grant award will be made by the Grant Officer after considering the panelists' scoring decisions. The Grant Officer's decisions will be based on what he or she determines is most advantageous to the Federal Government in terms of technical quality and other factors.

Signed in Washington, D.C. , this 26th day of July 2000.

**Laura A. Cesario,**  
*Grant Officer.*

Appendix A: Selected H-1B Professional, Technical and Managerial Occupations, and Fashion Models: Number of Job Openings Certified by the U.S. Department of Labor, Fiscal Year 1999 (Oct. 1, 1998–May 31, 1999).

Appendix B: (SF) 424–Application Form.  
Appendix C: Budget Information Form.

**Appendix A—Selected H-1B Professional, Technical and Managerial Occupations, and Fashion Models: Number of Job Openings Certified by the U.S. Department of Labor, Fiscal Year 1999 (Oct. 1, 1998—May 31, 1999)**

Occupational code	Occupational title	Number of openings certified
030 .....	Occupations In Systems Analysis And Programming .....	360,745

Occupational code	Occupational title	Number of openings certified
076	Therapists	181,665
160	Accountants, Auditors, And Related Occupations	35,665
039	Other Computer-Related Occupations	28,529
003	Electrical/Electronic Engineering Occupations	16,859
070	Physicians And Surgeons	11,264
019	Other Occupations In Architecture, Engineering And	11,175
090	Occupations In College And University Education	9,028
199	Miscellaneous Professional, Technical, And Manager	8,964
189	Miscellaneous Managers And Officials	8,824
007	Mechanical Engineering Occupations	7,115
050	Occupations In Economics	5,608
163	Sales And Distribution Management Occupations	5,368
033	Occupations In Computer Systems Technical Support	4,573
161	Budget And Management Systems Analysis Occupations	4,263
169	Other Occupations In Administrative Occupations	4,135
031	Occupations In Data Communications And Networks	4,121
041	Occupations In Biological Sciences	3,981
079	Other Occupations In Medicine And Health	3,764
012	Industrial Engineering Occupations	2,725
186	Finance, Insurance And Real Estate Managers And Off	2,624
020	Occupations In Mathematics	2,599
001	Architectural Occupations	2,490
141	Commercial Artists: Designers & Illustrators, Graphics	2,371
297	Fashion Models	2,367
092	Occupations In Preschool, Primary, Kindergarten Ed	2,359
187	Service Industry Managers And Officials	2,347
022	Occupations In Chemistry	2,345
005	Engineering Occupations	2,186
032	Occupations In Computer System User Support	1,595
091	Occupations In Secondary School Education	1,579
110	Lawyers	1,353
029	Other Occupations In Mathematics And Physical Sciences	1,306
131	Interpreters and Translators	1,270
166	Personnel Administration Occupations	1,229
165	Public Relations Management Occupations	1,216
185	Wholesale And Retail Trade Managers And Officials	1,183
008	Inspectors And Investigators, Managerial & Public	974
142	Environmental, Product And Related Designers	955
119	Other Occupations In Law And Jurisprudence	882
099	Other Occupations In Education	841
023	Occupations In Physics	836
010	Mining And Petroleum Engineering Occupations	777
164	Advertising Management Occupations	773
132	Editors: Publication, Broadcast, And Script	748
078	Occupations In Medical And Dental Technology	699
183	Manufacturing Industry Managers And Officials	681
184	Transportation, Communication, And Utilities Management	659
049	Other Occupations In Life Sciences	612
162	Purchasing Management Occupations	604
040	Occupations In Agricultural Sciences	574
074	Pharmacists	508
159	Other Occupations In Entertainment And Recreation	506

**Technical Note:** The Immigration and Nationality Act (Act) assigns responsibility to the Department of Labor with respect to the temporary entry of foreign professionals to work in specialty occupations in the U.S. under H-1B nonimmigrant status. Before the Immigration and Naturalization Service will approve a petition for an H-1B nonimmigrant worker, the employer must have filed and had certified by the Department a Labor Condition Application. The employer must indicate on the application the number of H-1B nonimmigrant workers sought, the rate of

pay offered to the nonimmigrants, and the location where the nonimmigrants will work, among other things.

The Act limits the number of foreign workers who may be assigned H-1B status in each fiscal year, however, there is no limit on the number of job openings that may be certified by the Department. Historically, the actual number of job openings certified by the Department each year far exceeds the number of available visas. This excess in the number of certified openings is due to a number of factors: extension of status filings

that are not subject to the annual cap; openings certified for anticipated employment that does not transpire; or movement from one employer to another (again, not subject to cap).

The occupational codes in the left-hand column represent the three-digit occupational groups codes for professional, technical and managerial occupations from the Dictionary of Occupational Titles (DOT).

**BILLING CODE 4510-30-P**



**INSTRUCTIONS FOR THE SF 424**

This is a standard form used by applicants as a required facesheet for preapplications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

- | <b>Item:</b> | <b>Entry:</b>  | <b>Item:</b> | <b>Entry:</b>  |
|--------------|--|--------------|--|
| 1.           | Self-explanatory.  | 12.          | List only the largest political entities affected (e.g., State, counties, cities).   |
| 2.           | Date application submitted to Federal agency (or State if applicable) & applicant's control number (if applicable).  | 13.          | Self-explanatory.  |
| 3.           | State use only (if applicable)   | 14.          | List the applicant's Congressional District and any District(s) affected by the program or project.  |
| 4.           | If this application is to continue or revise an existing award, enter present Federal identifier number. If for a new project, leave blank.  | 15.          | Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate <u>only</u> the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15. |
| 5.           | Legal name of applicant, name of primary organizational unit which will undertake this assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application.  | 16.          | Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.  |
| 6.           | Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.  | 17.          | This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.  |
| 7.           | Enter the appropriate letter in the space provided.  | 18.          | To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)  |
| 8.           | Check appropriate box and enter appropriate letter(s) in the space(s) provided.<br><br>- "New" means a new assistance award.<br>- "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date.<br>- "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation. |              |  |
| 9.           | Name of Federal agency from which assistance is being requested with this application.   |              |  |
| 10.          | Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is required.   |              |  |
| 11.          | Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of the project.   |              |  |

**APPENDIX C**

**PART II - BUDGET INFORMATION**

**SECTION A - Budget Summary by Categories**

	(A)	(B)	(C)
1. Personnel			
2. Fringe Benefits (Rate )			
3. Travel			
4. Equipment			
5. Supplies			
6. Contractual			
7. Other			
8. Total, Direct Cost (Lines 1 through 7)			
9. Indirect Cost (Rate %)			
10. Training Cost/Stipends			
11. TOTAL Funds Requested (Lines 8 through 10)			

**SECTION B - Cost Sharing/ Match Summary (if appropriate)**

	(A)	(B)	(C)
1. Cash Contribution			
2. In-Kind Contribution			
3. TOTAL Cost Sharing / Match (Rate %)			

**NOTE:** Use Column A to record funds requested for the initial period of performance (i.e. 12 months, 18 months, etc.); Column B to record changes to Column A (i.e. requests for additional funds or line item changes; and Column C to record the totals (A plus B).

## **INSTRUCTIONS FOR PART II - BUDGET INFORMATION**

### **SECTION A - Budget Summary by Categories**

1. **Personnel:** Show salaries to be paid for project personnel which you are required to provide with W2 forms.
2. **Fringe Benefits:** Indicate the rate and amount of fringe benefits.
3. **Travel:** Indicate the amount requested for staff travel. Include funds to cover at least one trip to Washington, DC for project director or designee.
4. **Equipment:** Indicate the cost of non-expendable personal property that has a useful life of more than one year with a per unit cost of \$5,000 or more. Also include a detailed description of equipment to be purchased including price information.
5. **Supplies:** Include the cost of consumable supplies and materials to be used during the project period.
6. **Contractual:** Show the amount to be used for (1) procurement contracts (except those which belong on other lines such as supplies and equipment); and (2) sub-contracts/grants.
7. **Other:** Indicate all direct costs not clearly covered by lines 1 through 6 above, including consultants.
8. **Total, Direct Costs:** Add lines 1 through 7.
9. **Indirect Costs:** Indicate the rate and amount of indirect costs. Please include a copy of your negotiated Indirect Cost Agreement.
10. **Training /Stipend Cost:** (If allowable)
11. **Total Federal funds Requested:** Show total of lines 8 through 10.

### **SECTION B - Cost Sharing/Matching Summary**

*Indicate the actual rate and amount of cost sharing/matching when there is a cost sharing/matching requirement. Also include percentage of total project cost and indicate source of cost sharing/matching funds, i.e. other Federal source or other Non-Federal source.*

**NOTE: PLEASE INCLUDE A DETAILED COST ANALYSIS OF EACH LINE ITEM.**

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BILLING CODE 4510-30-C

DEPARTMENT OF LABOR

Employment and Training  
Administration

Solicitation for Grant Applications  
(SGA) Workforce Investment Act of  
1998; Minority Colleges and  
Universities Workforce Partnerships  
and Training Strategies To Address  
Skill Shortages Demonstration  
Program

AGENCY: Employment and Training  
Administration, Labor.

**ACTION:** Notice of availability of funds  
and Solicitation for Grant Applications  
(SGA).

This notice contains all of the  
necessary information and forms needed  
to apply for grant funding.

**SUMMARY:** The U.S. Department of Labor  
(DOL), Employment and Training  
Administration (ETA) announces a  
competitive demonstration solicitation  
for grant applications (SGA) to respond  
to employers' identified skill shortages  
through the establishment or