

June 1, 2012

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| DIRECTIVE: | PROGRAM INSTRUCTION NOTICE NO. 11-28 |
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TO: ALL JOB CORPS NATIONAL OFFICE STAFF
ALL JOB CORPS REGIONAL OFFICE STAFF
ALL JOB CORPS CENTER DIRECTORS
ALL JOB CORPS CENTER OPERATORS
ALL OUTREACH, ADMISSIONS, AND CTS CONTRACTORS

FROM: EDNA PRIMROSE
National Director
Office of Job Corps

SUBJECT: Program Year (PY) 2011 Budget – Submission of June 2012
Spending Plans

1. Purpose. To provide information, timelines, and the electronic format for Job Corps contractors and the USDA Forest Service to submit June 2012 Spending Plans for each Outreach and Admission (OA), Center, and Career Transition Services (CTS) operations. To the greatest extent possible, the plans will maximize savings in areas that minimize any potential negative impact on staff and students. The plans will assist the U.S. Department of Labor in reducing Job Corps' operational spending in PY 2011.

2. Background. The Employment and Training Administration (ETA) has been engaged in a discussion with contractors over the past year regarding limited resources and the need to alter operations to achieve cost efficiencies. Cost-savings initiatives have been discussed in a number of forums. Consequently, the contractor community has submitted some preliminary ideas for reducing expenditures and operating more efficiently.

Job Corps received authority from Congress and the Administration to transfer some funds to support the operating expenses of the agency, the vast majority of which support the operation of the Job Corps centers. ETA has determined that those available funds are not sufficient for program operations through PY 2011.

Building upon the recommendations of the contractor community and cost-saving measures implemented by the Office of Job Corps, ETA is requesting the support of the program's contractors and the USDA Forest Service to reduce further obligations and expenditures in the operating account for the remainder of this program year. ETA will work with the Job Corps community to ensure continuity to the program, while adhering to sound fiscal management. The contractual changes and reductions will be negotiated and modified into contracts by the Contracting Officer, or, in the case of the USDA Forest Service Centers, through mutual agreement between the agencies.

These cost cutting measures are being implemented across-the-board (federal and contractor community), and affect all aspects of the operating expenditures of Job Corps.

3. Prioritizing Students and Staff. ETA is committed to implementing cost saving measures that mitigate any negative impact to staff and students. As such, operators shall not be asked to reduce mission-critical services. The safety, security, and well-being of students and staff remain a top priority.

4. Initial Cost-Savings Measures. The following measures are being implemented immediately, upon the release of this Notice.

- A suspension of all new arrivals until the end of summer break;
- Revision of the summer break period, which will begin on July 2, 2012; students' return July 23, 2012. This will allow the program to realize student transportation costs in the new program year. A subsequent Program Instruction Notice releasing the official dates will follow.
- An immediate hiring freeze for all currently vacant positions; no new hiring may occur until the new program year.

5. Action – June Spending Plans. In addition to the measures above, ETA is requiring each Job Corps OA, Center, and CTS operator to submit a June Spending Plan for each individual center/contract that reflects all potential savings through the end of the program year.

Format

Attachment A of this notice is the electronic format for the spending plan. Attachment B provides a detailed breakdown of each cost category in which each operation is expected to achieve cost savings. **NOTE:** The targeted cost savings areas are not an exhaustive list, and operators should provide additional cost savings, where available.

Instructions

Attachment 1 – June spending plans contain three (3) tabs, which must be completed for each Center, OA, and CTS operation. Operators should complete all applicable gray-shaded cells on all worksheets.

Tab 1: Line Item Costs

1. **At the top of the worksheet**, complete the information related to the contract/operation, including point of contact information.
2. **In column C** of the worksheet, record each line item's June 2012 budgeted amount from the Job Corps Monthly Budget Report (Detailed 2181) Report.
3. **In column D** of the worksheet, record the amount this operation is projected to spend from June 1-30, 2012, **making all possible reduction to maximize cost savings**. For the purposes of this exercise, for those targeted categories **outlined in attachment 2, each operation should assume** a starting point of \$0 funding for its June projection, and justify upward from there.

NOTE: Column E of the spreadsheet provides the minimum cost-savings levels anticipated for specific lines targeted by ETA. These are highlighted in yellow.

Tab 2: Non-Personnel Justification

For each non-personnel line item, operators should provide additional detail that breaks down June's projected spending.

1. **In column B** of the worksheet, provide the type of expense incurred under each category.
2. **In column C** of the worksheet, provide the amount of expense incurred for each type.
3. **In column D** of the worksheet, provide a justification as to the mission critical nature of the good or service.

Additional rows may be inserted in each category if necessary.

Tab 3: Staffing Report

This worksheet is modeled after the 2110-S Staff Vacancy Report.

1. **In Column B** of the worksheet, record the operation's Authorized Full-Time Equivalents (FTE)
2. **In Column C** of the worksheet, record the operation's On Board FTE, as of May 31, 2012.

Note: Column D will generate the number of vacancies based on your previous inputs.

3. **In Column E** of the worksheet, record the projected amount of salary and fringe benefits not expended due to the vacancies in that line. **Note: It is already assumed that the amount of these savings will not be included in your June Projection on Tab 1: Line Item Costs. This worksheet is simply a tool to assist you in accurately determining your personnel cost needs, and as a tool for federal staff to analyze your submission.**

Submission of June Spending Plan

1. Contract Operations – for all contracted operations (all operations except those administered by the USDA Forest Service), each OA, CTS, and Center Operations June Spending Plan must be submitted electronically to that contract's Contracting Officer (CO) and Contracting Officers' Representative (COR) **no later than close of business, Monday, June 4, 2012.**
2. USDA Forest Service Operations – the USDA Forest Service must submit its 28 centers' June Spending Plans to the e-mail addresses below, **no later than close of business Monday, June 4, 2012.**

Margaret Carson carson.margaret@dol.gov
Dennis Johnson johnson.dennis@dol.gov

5. Expiration Date. Until superseded.

6. Inquiries. General inquiries related to this effort may be submitted to Ron Daitoku at Daitoku.Ronald@dol.gov. He will distribute the inquiries to the Office of Job Corps and Office of Contracts Management. ETA will continue to release systemwide information via additional communiqués to the field. Specific contractual inquiries should continue to be directed to the Contracting Officer.

Attachments

A – June Spending Plan

B – Spending Categories Targeted for Reductions