



# Memorandum

Subject: **ACTION:** Fiscal Year 2018 (FY18) On-The-Job  
Training Supportive Services (OJT/SS) Program Call  
for Statements of Work (SOW) & Funding Allocation

Date: August 1, 2018

In Reply  
Refer to: HIN

From: Virginia Tsu, Director  
Center for Transportation Workforce Development  
Office of Innovative Program Delivery

To: Division Administrators  
Civil Rights Specialists  
Directors of Field Services

The Federal Highway Administration (FHWA) Headquarters Office of Innovative Program Delivery (HIN), Center for Transportation Workforce Development, requests that State Departments of Transportation (State DOT) submit their FY18 On-the-Job Training Supportive Services (OJT/SS) Program Statements of Work (SOW) to their respective FHWA Division Office (Division) for review and approval. Afterward, the Division is to request concurrence with its approval from HIN and must submit the OJT/SS SOW package using the HIN Center for Transportation Workforce Development (CTWD) [SharePoint](#) site by August 31, 2018.

## ***PROGRAM FUNDING***

HIN anticipates the FY18 allocations will approximate the program annual allocation of \$6M (see attached).

## ***STATEMENTS OF WORK***

A State DOT must submit only one SOW per Federal fiscal year and an SOW may include multiple training and/or supportive services concepts. HIN will allow States to fund awareness and educational programs, such as Construction Career Day (CCD), but only as part of a more comprehensive OJT/SS program. In other words, these types of programs may complement a broader more robust OJT/SS program, but must not be the only component of the program. For example, Trak & Rides or Construction Career Days cannot be the only component of an SOW. The broader program must include training/supportive services. Additionally, no combination of courses/programs can exceed the funds provided in the **attached table**. Any request for additional funds over what HIN allocates must come via letter detailing the specific reasons and purpose for the request for additional funds. HIN will consider any request on a case-by-case basis; hence, a State DOT must put together a very

good argument, an additional need assessment for the additional funds requested, and an exemplary budget for HIN to consider the request for additional funds.

Should a State DOT decide not to participate in the OJT/SS Program for FY18, the State DOT Chief Executive Officer, or designee, must submit a written statement on agency letterhead of the State's intent to decline the FY18 OJT/SS funding. Divisions must post this letter to the SharePoint site (#4 Folder) by **August 31, 2018**.

State DOTs should announce the FY18 OJT/SS Program solicitation on their public website and solicit proposals only from qualified sources in such a way as to ensure the competitive nature of the procurement (23 CFR §230.113 (d)). The Catalog of Federal Domestic Assistance (CFDA) number for this program is 20.205.

A State DOT must develop its own OJT/SS SOW and cannot use the services of a consultant or future service provider to create it for the DOT. The SOW must follow the attached outline and format. As well, it must detail the State DOT's proposed budget and discuss how the program plans to deliver supportive services, training, and/or skills development to prospective workers. OJT/SS contracts may contain a one-year option to renew, but only upon satisfactory performance, and of course, subject to the availability of funds in each subsequent year.

The FY18 OJT/SS Program SOW must demonstrate how the State DOT plans to provide a career path for individuals that are minority, women, or disadvantaged. State DOTs should demonstrate the involvement and collaboration among construction and professional trade associations, contractors, educational institutions (trade schools, public schools, community colleges, and universities), Departments of Labor, Departments of Education, and/or advocacy, non-profit, or veteran organizations. When developing a SOW, the State DOT must consider the following workforce and SOW fundamentals:

- Careers leading to journey status (Not Short-Term Jobs);
- Partnerships and Meaningful Industry Engagement;
- Strategies to Increase Opportunities for Under-Represented Populations;
- Focus on Results and Outcomes;
- The Overall Program Must Deliver Value for the Funds Provided.

State DOTs must include clear performance measures in the SOW. For example, a solid performance measure could be, "For a period of one year, this program will provide 20 participants with commercial driver license training, with CDL certifications, and the program will graduate a minimum of 18 persons for a total program cost of \$75,000, or \$3,750 per student. After training the 18 CDL certified candidates, we will place each trainee with a contractor. In addition, we will track, for up to six months the 18 candidates to ascertain if they made it into a contractor's apprenticeship program and onto a current highway construction project."

## **EVALUATION PROCESS**

After the Division reviews and approves the SOW as meeting the intent of the OJT/SS program regulations and guidelines, the Division will need to upload the SOW package and

supporting documents to the corresponding state folder located on the [SharePoint](#) site by August 31, 2018. Supporting documents must include:

- The Intent to Approve Letter, signed by the Division Administrator or his/her designee that the SOW meets with all financial and program requirements;
- A detailed budget, in Excel with an indirect cost rate not to exceed 10 percent unless the State DOT has an approved Indirect Cost Allocation Plan (iCAP) rate previously approved by FHWA or another Federal Agency;
- A copy of the entire SOW;
- A completed [Division Project Synopsis Tracking Sheet/Tracking Report](#) providing a synopsis of the State's program located in the Excel spreadsheet on the [HIN OJT/SS SharePoint](#) site.

### **ALLOCATION AND PERFORMANCE PROCESS**

After HIN's concurrence with the Division's recommendation to approve the State DOT's FY18 OJT/SS Program, the Division can authorize funding the State DOTs FY18 OJT/SS program in FMIS. When the Division authorizes the project in FMIS, or when the State DOT awards the contract and the Division approves the project in FMIS, the 12-month performance period for the FY18 OJT/SS Program begins. Once the project begins, the Division must approve any amendment(s) to an SOW, budget, or extension to the end date. The State DOT must obligate and expend all allocated funds by the end of the 12-month performance period (the end date posted in FMIS). State DOTs must deobligate all unexpended balances within 90 days of the end of the 12-month performance period.

HIN will only grant time extensions for good cause. Accordingly, a State DOT must submit the written request in writing and in advance of the expiration of the performance period in FMIS (the "End Date"). The Division/State can submit the request via e-mail to [Michael.Caliendo@dot.gov](mailto:Michael.Caliendo@dot.gov) with a description, amount, and reason for an extension request.

To ensure success of the OJT/SS program, Divisions and State DOTs must monitor and provide OJT/SS program oversight, regularly track progress, and demonstrate the achievements of program goals/objectives. State DOTs must submit quarterly progress reports to their respective Division Offices. It is important that Divisions and State DOTs agree upon the reporting deliverables, such as the performance and outcome measures beforehand in the SOW.

Divisions need to maintain a sufficient level of program oversight to measure progress and outcomes. HIN expects the Division to submit a short narrative report at the end of the performance period describing OJT/SS program outcomes that feature the performance measures identified in the SOW; this narrative must be placed in the SharePoint site ([Accomplishment Report \(#3 Folder\)](#)).

If there are any questions, please contact Michael Caliendo at (208) 334-9180 x131, or [Michael.Caliendo@dot.gov](mailto:Michael.Caliendo@dot.gov)

# Attachment 1:

FY 18 OJT/SS Program Anticipated Funding Allocation	
State	Obligation Limitation
Alabama	\$111,825
Alaska	\$73,906
American Samoa	\$37,500
Arizona	\$107,842
Arkansas	\$76,312
California	\$540,980
Colorado	\$78,817
Connecticut	\$74,030
Delaware	\$24,933
Dist. of Col.	\$23,518
Florida	\$279,261
Georgia	\$190,315
Guam	\$37,500
Hawaii	\$24,929
Idaho	\$42,158
Illinois	\$209,556
Indiana	\$140,444
Iowa	\$72,438
Kansas	\$55,700
Kentucky	\$97,933
Louisiana	\$103,449
Maine	\$27,208
Maryland	\$88,574
Massachusetts	\$89,519
Michigan	\$155,187
Minnesota	\$96,113
Mississippi	\$71,286
Missouri	\$139,535
Montana	\$60,475
Nebraska	\$42,603
Nevada	\$53,521
New Hampshire	\$24,353
New Jersey	\$147,166
New Mexico	\$54,127
New York	\$247,408
North Carolina	\$153,724
North Dakota	\$36,593
N. Mariana	\$37,500
Ohio	\$197,569
Oklahoma	\$93,479
Oregon	\$73,672
Pennsylvania	\$241,835
Puerto Rico	\$50,000
Rhode Island	\$32,235
South Carolina	\$98,698
South Dakota	\$41,567
Tennessee	\$124,552
Texas	\$536,574
Utah	\$51,181
Vermont	\$29,914
Virgin Island	\$37,500
Virginia	\$149,990
Washington	\$99,920
West Virginia	\$64,413
Wisconsin	\$110,903
Wyoming	\$37,760
Apportioned Total	\$6,000,000

# Attachment 2:

## *STATEMENT OF WORK FORMAT*

### *1. CONTENT AND FORM OF APPLICATION SUBMISSION*

A State Department of Transportation (DOT) must use this Statement of Work format and outline. The SOW should not exceed 10 pages, single-spaced, single-sided, and have 12-point font (either Times Roman, Arial, or Calibri), be on 8.5 x 11-inch paper, and must include the information listed below to receive approval (herein State DOT and Applicant are synonymous):

#### *A. Statement of Work*

- [Project Title](#)
- [Contact Person\(s\)](#)
- [Purpose Statement](#)
- [Statement of Problem](#)
- [Amount Requested](#)
- [Needs Assessment](#)
- [Program Goals & Objectives](#)
- [Scope of Work Narrative with Timetables/Milestones/Services](#)
- [Budget Proposal & Financial Requirements](#)
- [Geographic Location, Target Groups, & Emphasis Areas](#)
- [Strategic Partnerships](#)
- [Project Management](#)
- [Project Personnel, Resources, & In-kind Contributions](#)
- [Performance Period](#)
- [Performance Measures](#)
- [Evaluation and Monitoring Plan](#)
- [Final Deliverables](#)

#### *B. Project Title*

At the top of the document *title* the program/project. Give the project a short yet descriptive title.

### ***C. Contact Person(s)***

List the contact information for all lead person(s) along with his or her address, title, phone number, fax number, and email address.

### ***D. Purpose Statement***

Start with a *purpose statement*, which is a declarative sentence summarizing the specific topic of a document. A declarative sentence tells a fact or an argument. For example, “There are 200,000 people unemployed in the construction industry in our state.” It orients the reader and offers an exact and concrete understanding what the document will cover and what the reader can gain from reading it.

### ***E. Statement of Problem***

Characterize the workforce issue, problem, or opportunity present in the highway construction industry within the state that this program/project directly tries to resolve. Likewise, describe how the State DOT recognized the issue (i.e., whether the State DOT surveyed workforce investment boards, labor organizations, contractors, State personnel, educational institutions, or spoke to other interested stakeholders). In a narrative, detail how the program/project will specifically try to resolve the issue for the applying organization. Describe how the project meets the policy priorities outlined in the *Policy Priorities Section* of this NOFO ([Section A.4.](#)).

Explain why the State DOT plans to use a specified approach, as opposed to other potential approaches, and how its innovative facets have potential for nationwide, regional, local, or statewide application. In addition to innovative workforce practices, cite the unique features of the project, such as technological innovations, reductions in cost or time, or social and community involvement.

Finally, express uncertainties, external factors, and potential risks that could affect the schedule, cost, or success of the program. The State DOT should offer supporting documentation as an attachment that will not count toward the total page limit. The FHWA will consider such supplementary information but will not necessarily consider it in the project selection process.

### ***F. Amount Requested***

This line must be in the document verbatim, as follows:

For Fiscal Year 2018, the State DOT requests \$50,000 for this On-the-Job Training Supportive Services proposal.

## ***G. Needs Assessment***

The State DOTs must include a needs assessment. It is one of the most critical components of the application. The FHWA will use it to evaluate the degree to which the project shows a clear and specific industry need for the Federal investment and how well the proposed project discusses the policy priorities in Section A.4. of this Notice of Funding Opportunity (NOFO). The State DOT must show relevant data and offer evidence of the industry need and value for the proposed program/project.

For FHWA purposes a needs assessment is the gap between what is known and what should be known. The goal of training or continuing education is to improve the skills of the contractors' workforce(s) or to improve the knowledge, skills, abilities, and attitudes of the highway construction trade professional who build infrastructure projects. However, trainees often are not able to fully evaluate what they don't know and what they need to know. Without grounded methods and an assessment of practice and performance gaps, training opportunities are unlikely to be effective. Nevertheless, when presenting workforce training gaps to support your decisions use sufficient supportive data, and more than just the FHWA-1392. Instead, perform a broad highway construction workforce review and/or offer general construction data about a specific need within the State highway construction workforce. Needs assessments need to go beyond what is already known about the past highway construction industry, training needs, and the State employment situation, and include a snapshot of what is happening and needed now.

## ***H. Goals & Objectives***

A *goal* is an idea of the future state or desired result that a person or a group of people envisions, plans and commits to achieve. This includes reaching the goal within a finite time by setting limits. A goal guides reaction, or an end, and offers an intrinsic value. For example, "We will train and place 20 people in highway construction jobs by September 2019." For our purposes, *objectives* are a collection of results-oriented goals.

## ***I. Scope of Work Narrative with Timetables/Milestones/Services***

The *Scope of Work* is the narrative that details all the items due at the end of the project. It specifies the project requirements, milestones, deliverables, end products, and documents, and defines reports due at the end of the project.

Outline a plan of action, organized by work task(s), about how the State DOT will carry out the proposed work. List estimated milestone dates for all major activities. The State DOT should show the connection between each activity and the overall project aims (projected outcomes). In addition, the Scope of Work must discuss supporting activities, such as marketing plans for recruiting participants, and/or dissemination strategies for sharing the results.

If the project is a proposal seeking support for an existing program/project, the State DOT should highlight the changes to the proposed project within the context of the new effort. In the narrative say if the State DOT will provide matching funds, the expected duration of the project, and any other information that would assist FHWA in understanding and evaluating the proposal/project.

A State DOT may include, at its choice, to display the organization of the Statement of Work, a one-page cover page, and a second page to include both a Table of Contents and/or a Listing of Tables/Figures. These pages are for orienting evaluators to the contents of the application package. Doing so will not count toward the page limitation.

### ***J. Budget Proposal & Financial Requirements***

Deliver a cost proposal showing staffing levels, hours, indirect, and direct costs for the total project and the amount of funding requested from FHWA. The proposal must describe the source and the amount of matching funds, if any. The cost proposal also must set forth the nature and value of in-kind resources that team members will contribute. Show a line-item budget for the total project, with enough detail to show the various components of the project. All Statement of Work proposals must apply cost the principles found in 2 CFR part 200, subpart E.

Direct costs are costs found associated with a final cost goal, such as a Federal award, or other internally or externally funded activity, or the State DOT can directly assign the cost to such activities with a high degree of accuracy. Treat costs incurred for the same purpose in like circumstances consistently as either direct or indirect (F&A) costs.

Indirect costs are costs that are not directly accountable to a cost object (such as a project, facility, function, or product). Indirect costs may be either fixed or variable. Indirect costs include administration, personnel and security costs. Think of these costs as not directly related to production. For example, an indirect cost may be overhead.

Unless a State DOT and/or its sub recipient has a negotiated and approved indirect cost rate associated with an Indirect Cost Allocation Plan (iCAP), then then entity may choose to charge a de minimis rate of 10% of modified total direct costs (MTDC).

### ***K. Geographic Location, Target Groups, & Emphasis Areas***

Give a precise location(s) of the project(s), geographic area(s), and target group(s) served by this proposed effort. The State DOT may attach maps or other graphic aids to help tell support conclusions, as needed. In addition, provide details of how this effort will link to actual construction jobs.



### ***L. Strategic Partners***

State DOT must commit to working with one or more external strategic partner(s) with great interest and involvement in the project. An external partner must be an entity that has no direct relationship to the State DOT. For example, the external partner may not be a Department within the State DOT organization. An external partner entity could include (not limited) to:

- Educational institutions, which include entities offering professional accreditation, degree, and/or certification programs, such as universities, community colleges, or trade schools;
- Public workforce investment systems, such as local workforce investment boards and their one-stop systems;
- Labor organizations, such as labor unions and labor management organizations; and/or,
- Non-profit organizations that support the mission of highway construction and transportation workforce development.

### ***M. Project Management***

The State DOT must describe its proposed approach for managing and staffing the project including the distribution of responsibilities among potential partner(s) entities. For example, include responsibilities, such as regular reporting, performance measurement, and technical/management interactions with FHWA.

### ***N. Project Staff, Resources, & In-kind Contributions***

List all known key individuals who will work on the project, along with short descriptions of their technical ability and experience. Attach resumes or written overview of a person's experience and other qualifications (curriculum vitae) if available. Project staff resumes or curriculum vitae will not count towards the total page count for proposal submissions. Describe how the State DOT will engage in a competitive process to ask for organizational partners and/or consultants.

### ***O. Period of Performance***

The estimated period of performance for awards is 1-2 years.

Within the State DOT's Statement of Work, include a schedule for completion of tasks assuming a total period of performance cannot exceed 24 months. If the State DOT proposes

a phased plan, describe the schedule for the more phases on a separate page or separate pages which do not count toward the page limit.

After concurrence with the Division's recommendation to approve the State DOT's FY18 OJT/SS Program, the FHWA Office of Innovative Program Delivery, Center for Transportation Workforce Development will issue an allocation memo asking for the Financial Management Information System (FMIS) Team to distribute the funds to each State. When the Division authorizes the project in FMIS, or when the State DOT awards the contract, and the Division approves the project in FMIS, then the 12-month performance period for the FY18 OJT/SS program begins. Once the project begins, the Division must approve any amendment to an SOW or budget. The State DOT must obligate and expend all allocated funds by the end of the 12-month performance period. FHWA will grant extensions for compelling cause, but State DOTs must send the written request to extend to the FHWA Division in advance of the end date (as shown in FMIS) with a description, amount, and reason. The Division must then approve the request and ask for the FHWA OJT/SS Program Manager concurrence with the approval. The Divisions will send the request to extend via e-mail [Michael.Caliendo@dot.gov](mailto:Michael.Caliendo@dot.gov). State DOTs must deobligate all unexpended balances within 90 days of the end of the 12-month performance period.

#### ***P. Performance Measures***

The FHWA requires the State DOT to use OMB-approved governmentwide standard information collections when offering financial and performance information. As proper and per the above-mentioned information collections, the FHWA requires the State DOT to relate financial data to performance accomplishments of the Federal award. Also, following the above-mentioned governmentwide standard information collections, and when applicable, State DOT must also give cost information to show cost effective practices (e.g., through unit cost data). The State DOT (i.e., recipient's) performance needs measuring in a way that will help the Federal awarding agency and other non-Federal entities to improve program outcomes, share lessons learned, and spread the adoption of promising practices.

The State DOT must show the national, state, regional, or local impact of the State DOT's project on the highway construction industry and detail the broader employment opportunities, including the number of jobs directly supported or created by the program. The Statement of Work needs to include a description of the plan for recording the outcomes on a quarterly. The program must also deliver a final report at the end of the project. The final report must include at minimum:

##### ***1. Number of Individuals Affected***

State DOT should define "affected individuals" in terms that make sense for the proposed project. For example, other reported outcomes could include the number of:

- Targeted individuals (women, minorities, and disadvantaged individuals) that entered the program;
- Individuals successfully completing the program and/or achieved an applicable credential, etc.;
- Placed new workers and/or advanced incumbent workers;
- Retained workers after 90 days or some other relevant period.

## **2. *Performance Metrics***

The FHWA prefers quantitative metrics but will consider qualitative metrics if the State DOT bases the information and experiences on those affected by the program (as opposed to the self-assessment of the applicant or partner agencies). Metrics could include survey results, exit interviews, and longitudinal tracking of staff (during the period of performance only), but not limited to this data. A State DOT SOW must include at least one performance metric. As part of the proposal give projections (for quantitative measures) or short hypotheses (for qualitative measures) of what type of impact/performance FHWA could expect from the project.

## **3. *A 1–2 Page Project Description***

The project description should detail the project’s goals and measurements and the final report should say if the State DOT met the goals and measures. This statement can also include “lessons learned.”

## **4. *1–2 Page Statement of Applicability to Other Entities***

In the final report, the State DOT needs to describe how the project will apply or scale to other applications elsewhere and what effects another agency or program might realize.

## ***Q. Evaluation & Monitoring Plan***

State DOT and FHWA Division Office staffs must regularly evaluate and check the supportive services contracted or obtained under this grant. The State DOT and Division Office should prove a well define evaluation and monitoring plan prior to the implementation of the program/project.

## ***R. Final Deliverables***

Proposals must describe at least one final project deliverable and how it will improve the state of the practice within the highway construction industry and/or state. State DOTs and it’s sub recipients must make any final products and project deliverables available to FHWA at no cost if FHWA chooses to dissemination examples and/or case studies throughout the industry. Acceptable final products and deliverables include (not limited to) class materials,

Websites, applications and/or software, recruitment materials, flyers, brochures, pictures, and reports, etc. Additionally, FHWA requires written quarterly progress reports and one final report. State DOTs must send these reports to the Division and detail the reporting timeline in the SOW. Moreover, the State DOT must, include a schedule for the project deliverables, that at a minimum, gives the following information:

***Table 1: Deliverables***

<b>Deliverable(s)</b>	<b>Due Date</b>	<b>Section 508 Compliance?</b>
	2/15/2019	Yes
		No