

February 03, 2011

MEMORANDUM FOR : Reviewer of 1220-0079

FROM : Kenneth W. Robertson, Chief
Division of Current Employment Statistics
Bureau of Labor Statistics

SUBJECT : Modification to language in FY 2011 LMI Cooperative
Agreement Work Statement for CES

The Bureau of Labor Statistics (BLS) developed the FY 2011 Cooperative Agreements and the included program work statements to comply with the language in the President's requested budget for FY 2011. Included in the Presidents' requested budget was a proposal to restructure the CES program. The proposal would centralize the CES estimation function, devote additional program resources towards data collection activities, and achieve an overall program savings of \$5,000,000 per year.

Given operational transition issues and the uncertainties associated with the budget process, BLS developed the CES work statement to have State LMI grantees produce estimates through the December 2010 final estimates. BLS assumed based on past history that a budget for FY 2011 would be in place by then. After the December final estimates were completed BLS planned to implement the proposed restructuring. However, as of this date BLS does not have guidance indicating that we can implement the proposed restructuring; therefore, we must extend the contract asking States to do this work. Note that this is work that has been requested of States for many years; the modification is simply a two month extension of the estimation work States are currently doing. The current cooperative agreement describes the required deliverables; the modification simply alters the time frame and quantity of those same deliverables. The current work statement requires State grantees to produce estimates through the December final estimate; the modified work statement requires State grantees to produce estimates through the February final estimates.

The following is the original and revised text in the Cooperative Agreement.

Original Work Statement Text (which is no longer valid)

The restructuring is planned to occur immediately after the benchmark period. States will produce and review monthly estimates through the December 2010 preliminary estimates, and perform most of the usual set of benchmark activities including the post-benchmark re-estimation up to and including the December 2010 final estimates. BLS will produce and review estimates from the January 2011 preliminary estimates forward.

Updated Work Statement Text (as of January 2011)

The restructuring is planned to occur immediately after the completion of the February final estimates. States will produce and review monthly estimates through the February 2011 final estimates. BLS will produce and review estimates from the March 2011 preliminary estimates forward.

If you have any questions about this request, please contact Ken Robertson by telephone at 202-691-5440 or by e-mail at robertson.ken@bls.gov.