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**OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE**  
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 ALBANY, NY 12243-0001

**David A. Paterson**  
*Governor*

## Local Commissioners Memorandum

### Section 1

<b>Transmittal:</b>	10-LCM-18
<b>To:</b>	Local District Commissioners
<b>Issuing Division/Office:</b>	Center for Employment and Economic Supports
<b>Date:</b>	November 5, 2010
<b>Subject:</b>	Funding for OTDA Transitional Jobs 2 Program
<b>Contact Person(s):</b>	<u>Program Related Questions:</u> Libby McGinn at (518) 486-6106, <a href="mailto:Elizabeth.McGinn@otda.state.ny.us">Elizabeth.McGinn@otda.state.ny.us</a> Or Employment Services Advisor  <u>Claiming Related Questions:</u> <u>Regions 1-5</u> - Edward Conway (518) 474-7549, <a href="mailto:Edward.Conway@otda.state.ny.us">Edward.Conway@otda.state.ny.us</a> <u>Region 6</u> - Michael Simon (212) 961-8250, <a href="mailto:Michael.Simon@otda.state.ny.us">Michael.Simon@otda.state.ny.us</a>
<b>Attachments:</b>	<a href="#">Attachment A: Subsidized Employment Program Matrix</a> <a href="#">Attachment B: LDSS Transitional Jobs Program Allocations</a> <a href="#">Attachment C: Budget Instructions</a> <a href="#">Attachment D: Program Narrative</a> <a href="#">Attachment E: Budget Form</a> <a href="#">Attachment F: Budget Narrative</a>
<b>Attachments Available On – Line:</b>	Yes

### Section 2

#### I. Purpose

The purpose of this Local Commissioners Memorandum (LCM) is to advise social services districts (districts) that \$5,628,198 in federal Temporary Assistance for Needy Families (TANF) funds is being made available to support subsidized jobs with public or private organizations established through the second year of the OTDA **Transitional Jobs program (Transitional Jobs 2)**. Separate LCMs will be released to inform eligible districts of the funding available to support the continuation of the Green Jobs Corps and Health Care Jobs programs. The attached Subsidized Employment Programs Matrix provides a summary of each program model (see **Attachment A**).

District allocations for the **Transitional Jobs 2 program** are included in **Attachment B**. The Transitional Jobs 2 program will permit districts to establish subsidized jobs lasting up to 12 months combined with at least 105 hours of paid education and training for each participant, as described in this LCM.

## **II. Background**

Subsidized employment can serve as an important component of a district's employment services by offering an effective placement for individuals lacking an adequate or demonstrated work history, who have other barriers to employment or when employment opportunities in the community are limited due to a contracted economy. The Transitional Jobs 2 program can provide an effective mechanism for entrance into unsubsidized employment by permitting the participant to develop and demonstrate positive work skills to a current or prospective employer and will also provide the opportunity for participants to achieve educational gains and/or new job skills through training. Additionally, paid employment provides participants financial and other incentives to participate fully in employment and education/training services. The fact that participants are paid for hours worked reinforces the message that "work pays" and enables participants to access earned income tax credits and other tax credits to supplement their income.

## **III. Program Overview**

The \$5,628,198 in federal TANF funds made available by this LCM includes the \$5 million appropriated in the 2010-11 Enacted State Budget and \$628,198 in unprogrammed funds from SFY 2009-10. These funds are made available to continue the OTDA Transitional Jobs program to provide education, training and subsidized job placements for low - or no income TANF eligible individuals. The enacted SFY 2010-11 State Budget continues to permit a subsidy period of up to 12 months but authorized the following changes which, under the Transitional Jobs 2 Program, are expected to provide districts with additional flexibility when identifying employment opportunities and education and training activities to help individuals advance into unsubsidized employment at the end of the subsidized employment period:

- Districts may subsidize up to 40 hours of employment and training/education per week for a participant.
- Each participant must receive at least 105 hours of paid education and/or training activities to improve the individual's work-related skills. Paid education and training activities may be provided before placement and/or concurrent with subsidized employment as determined appropriate by the district. Stand-alone or pre-employment training subsidized through this grant may only be provided if the training is necessary to place an individual in a specific subsidized position. The employer would be expected to hire the participant upon successful completion of the paid stand-alone or pre-employment training (or may place the participant on the employer payroll during training period). This specific employment placement strategy is important to maintain the program's emphasis on paid work and ongoing workforce attachment.
- Participants must be paid at least minimum wage (currently \$7.25 per hour); however, employment opportunities that pay more than minimum wage are preferred.

Districts are reminded that allowable services supported with Transitional Jobs 2 funding must meet the federal definition of non-assistance. TANF non-assistance services are those services that are not intended to provide ongoing basic income support. This includes work subsidies (i.e. payments to employers or third parties to help cover the costs of employee wages, benefits, supervision and training) and supportive services such as transportation for employed persons, counseling, case management, child care information and referral, transitional services, job retention and other employment related services that do not provide basic income support.

Each district establishing a Transitional Jobs 2 Program must address the following components in its program plan:

- 1. Identify employment opportunities** that exist or that can be created in the public or private sector, with priority for placements with businesses or occupational sectors with substantial opportunities for continued unsubsidized employment.

As with the first year of the Transitional Jobs program, districts may continue using transitional employment opportunities that prepare individuals for permanent employment but are not expected to result in a permanent unsubsidized position with the initial employer. In most instances, such positions should be developed so they may serve as a continuous source of temporary subsidized placements that are available to the district to make placements to prepare individuals for permanent employment with other employers. The purpose of the transitional, subsidized job period is to provide individuals the opportunity to adjust to working, develop workplace skills and realize the benefits of paid employment.

Subsidized employment positions supported with Transitional Jobs 2 program funds may not replace existing funding and may not displace staff doing equivalent work consistent with Social Services Law sections 336-e and 336-f.

- 2. Provide education and training activities** that will improve participants' employment skills and prepare individuals for unsubsidized employment. Each Transitional Jobs 2 participant must be engaged in at least 105 hours of paid education/training during the program period. The combination of the subsidized employment and the education/training will permit participants to develop workplace skills while also enhancing education attainment and/or job skills to support permanent job placement at or before the end of the transitional job. Training that provides employment-related credentials, credits or certificates that support future employment opportunities is preferred. Districts are encouraged to leverage services available through separately funded education and training providers in the community and to target education/training to the needs of employers in the region.

Program participants who do not have high school diploma or the equivalent shall be offered the opportunity to participate in adult basic education services that will enable the participant to improve literacy/math proficiency, or to obtain an equivalency diploma. Education and training services provided through the Transitional Jobs 2 program may include, but are not limited to:

- Job Skills Training
- Vocational Education
- Adult Basic Education

- GED programs
- ESOL programs

Job readiness training may be included as a minimal component for those participants who are determined to need additional job readiness training to obtain or maintain employment. However, OTDA will not approve plans which appear to include job readiness training as a standalone or significant component of the paid education and training component for any participants or as part of the overall program plan.

Districts may decide to incorporate the education/training component in the same manner for all participants or choose to vary that delivery, depending on individual participant needs. While it is at the districts' discretion to determine the mechanism that will be used to provide education and training activities, each participant must receive at least 105 hours of paid education and training. The following are some examples of how a district might incorporate the education/training component.

*Example 1:* A district partners with one employer for all participants. This employer requires or recommends a particular credential or skill set prior to the start of employment. In this case, some or all of the hours of paid education and training may be used to help individuals develop the skills necessary before the participants begin the subsidized job. If less than 105 hours of education and training was provided before placement, paid education and training activities would need to be continued during the subsidized employment period to ensure that the participant receives at least 105 hours of paid education and training.

*Example 2:* A participant has completed high school and has the ability and desire to enroll in a certificate program at a local community college to help the individual develop the skills needed for unsubsidized employment. The participant attends the program while concurrently working at a subsidized job, preferably in their field of interest related to the college coursework. The schedule developed with the employer and participant will ensure that the individual receives at least 105 hours of paid education and training and the employer will pay the participant for those hours attending the college, with the Transitional Jobs 2 funding.

*Example 3:* A district develops a plan with a participant who has not completed high school or the equivalent to attend GED preparation with the goal of receiving her GED. The participant is engaged in a subsidized position through the Transitional Jobs 2 program while attending GED classes two afternoons a week. The total combined weekly hours of training and employment may not exceed 40 hours and the participant must receive at least 105 hours of paid education and training throughout her enrollment in the program.

- 3. Provide Support Services** to program participants as needed to support job retention both during and following the subsidized job period and to support advancement/completion of education and training activities provided as a component of the Transitional Jobs 2 program. Such support services may include, but are not limited to, child care, transportation, case management and other necessary services. Districts are encouraged to develop program models that include support through a mentor or case manager to help participants resolve or cope with factors which may interfere with continued employment (such as housing difficulties, child care concerns

or adapting to work). Projects are also encouraged to provide comprehensive student support services, including but not limited to, tutoring, mentoring, after school program access and financial development services as a part of the individual training plan.

Districts are expected to ensure that program participants are provided information on the availability of earned income tax credits and other credits that they may access once working, including information on [mybenefits.ny.gov](http://mybenefits.ny.gov). Additionally, as with all individuals who go to work, districts are expected to facilitate access to transitional benefits including health insurance, transitional child care and Supplemental Nutrition Assistance benefits.

#### **IV. Program Implications**

##### **Eligible participants**

Transitional Jobs 2 program participants must be TANF eligible and may include the following categories of individuals:

- Individuals in receipt of TANF/Family Assistance (case types 11 or 12) and Safety Net Assistance Maintenance of Effort (MOE) (case types 16 or 17 with state charge code 63 or 64);
- Individuals in two-parent cases with children receiving Safety Net Assistance (as described in 06-LCM-09); and
- Individuals not in receipt of public assistance but who are determined TANF eligible based on TANF 200% of Poverty guidelines included in 00-LCM-20.
- Safety Net Assistance recipients in households without children may be eligible for TANF funded services due to being a noncustodial parent of a minor child as outlined in 00-LCM-20. Districts are strongly encouraged to determine such eligibility and serve these individuals through the Transitional Jobs 2 program.

In all instances, priority for participation in the Transitional Jobs 2 program shall be given to TANF eligible public assistance recipients. Districts should also target services to formerly incarcerated individuals, including non-custodial parents who were formerly incarcerated or who have a criminal history and who are determined TANF eligible in accordance with 00-LCM-20.

##### **Funding**

The \$5,628,198 in federal TANF funds made available by this LCM includes the \$5 million appropriated in the 2010-11 Enacted State Budget and \$628,198 in unprogrammed funds from SFY 2009-10. This total was allocated based on three components. First, \$5 million was distributed based on each district's share of the SFY 2009-10 Transitional Jobs allocation. Then, districts that claimed at least 50% of their first year Transitional Jobs allocation as of August 16, 2010 were provided an add-on of 25% (districts that claimed 80% or more received an add-on of 33%) of the initial Transitional Jobs 2 allocation. Finally, the remaining balance (\$518,940) was allocated to districts that had a six-month average Unemployment Rate above the six-month Statewide Average (March 2010 – August 2010). District allocations for Transitional Jobs 2 are included in **Attachment B**.

Districts must ensure that these funds are used for increased costs associated with operating a new or expanded subsidized employment program (including the continuation of services from the first year of the Transitional Jobs program). These funds should not be used to supplant costs associated with other subsidized employment programs operated by or funded by districts.

Districts are encouraged to combine grant diversion along with funding made available through the Transitional Jobs 2 program as one option to increase the number of individuals served by the district's allocation (for more information see 09-ADM-11).

Approved projects are expected to begin on October 1, 2010 and operate through September 30, 2011, with final claims due by November 15, 2011. These deadlines are contingent upon re-appropriation authority in the SFY 2011-2012 budget. If not reappropriated, final claims must be submitted by August 15, 2011. The program period for Transitional Jobs 2 program cannot overlap with the program period for year one of the Transitional Jobs program. In those instances where a district is supporting services with year one allocations through all or a portion of the October 1, 2010 through December 31, 2010 period, the district should adjust the Transitional Jobs 2 program period accordingly. For example, if a district is able to rely on year one funds through December 31, 2010, the district would submit a Transitional Jobs 2 program plan that has a program period of nine months (January 1, 2011 through September 30, 2011). Please note that the program requirements outlined in 09-LCM-11 for the first year of the Transitional Jobs program, including requiring subsidized employment positions of up to 28 hours per week combined with at least 7 hours of paid education and training per week and a minimum hourly wage of \$8.00 per hour will continue to apply for services supported by funding made available by 09-LCM-11.

## V. Plan Format

Districts must submit plans consisting of a program narrative, budget form and budget narrative to OTDA for approval. OTDA staff will review the submission to determine that services are directly related to the provisions of allowable program services and activities to eligible participants and that program components regarding paid employment and education/training are met.

### **Program Narrative**

Plans must detail the overall structure of the program using the program narrative template (**see Attachment D**). The narrative should not exceed six pages in 12-pitch font using standard one inch margins. The template contains detailed instructions addressing the following components:

- program period including anticipated start and end dates;
- an estimate of the number of participants to be served during the program period;
- whether or not the district will use grant diversion as an option to increase the number of individuals served;
- a description of the target population, the process that the district will use to identify appropriate individuals who are eligible to participate in the program; and how participants will be matched with employment opportunities;
- the employment opportunities targeted, including prospective employers and sector information;

- the types of education and/or training expected to be provided, along with the prospective providers to be used and how the district will determine what training and education is appropriate for individuals enrolled in the program;
- supportive services to be provided to program participants during the subsidy period;
- services to be offered to secure unsubsidized employment for those participants whose placement will be temporary;
- an estimate of the range of wages to be paid, the number of hours to be subsidized each week, and the expected length of the subsidy period; and
- project staff and their duties.

### **Budget and Budget Narrative Forms**

The budget form (see **Attachment E**) will identify the amounts associated with costs. The budget narrative form (see **Attachment F**) will provide the details of those amounts. See **Attachment C** for instructions regarding budget preparation.

### **VI. Submission of Plans**

Districts are encouraged to submit completed plans which are consistent with the program requirements described in this LCM to OTDA for review as soon as completed. Completed plans must be submitted no later than **December 6, 2010**, to be eligible for funding under this initiative. District allocations are available beginning October 1, 2010 for completed and approved plans. Completed plans should be e-mailed by **December 6, 2010** to Libby McGinn at [Elizabeth.McGinn@otda.state.ny.us](mailto:Elizabeth.McGinn@otda.state.ny.us), or mailed to the following address:

Ms. Libby McGinn  
 NYS Office of Temporary and Disability Assistance  
 Employment and Advancement Services Bureau  
 40 North Pearl Street, 11<sup>th</sup> Floor  
 Albany, NY 12243-0001

### **VII. Reporting Requirements**

Districts will be required to report information on an individual basis using a format provided by OTDA. OTDA will provide reporting instructions under separate cover.

### **VIII. Claiming Instructions**

All expenditures against the Transitional Jobs 2 allocation must be claimed in accordance with the local social services district's Transitional Jobs 2 program approved plan. Local districts may claim reimbursement for Transitional Jobs 2 expenditures made from October 1, 2010 through September 30, 2011. In those instances where a district is supporting services with year one allocations through all or a portion of the October 1, 2010 through December 31, 2010 period, the district should adjust the Transitional Jobs 2 program period accordingly. For example, if a district is able to rely on year one funds through December 31, 2010, the district would submit a Transitional Jobs 2 program plan that has a program period of nine months (January 1, 2011 through September 30, 2011).

Final claims for Transitional Jobs 2 must be received by November 15, 2011. These deadlines are contingent upon re-appropriation authority in the SFY 2010-2011 budget. If not re-appropriated, final claims must be submitted by August 15, 2011.

The administrative and/or contracted costs associated with approved plans should be reported in the F-17 function (Other Reimbursable Programs) on the Schedule D, DSS Administrative Expenses Allocation and Distribution by Function and Program (LDSS-2347). These costs will carry forward to the Schedule D-17, Distribution of Allocated Costs to Other Reimbursable Programs, (LDSS-3274), and be reported in a column labeled Transitional Jobs 2. These expenditures will support Form LDSS-3922, Reimbursement Claims for Special Projects. The LDSS-3922 project name box label should be entitled Transitional Jobs 2.

District staff not working fulltime on Transitional Jobs 2 must be time studied and only those related costs should be charged to Transitional Jobs 2.

The LDSS-3922 for Transitional Jobs 2 should be submitted on a monthly basis to the Bureau of Financial Services using the TRACS system. Districts must retain the signed LDSS-3922 which supports the claims submitted via TRACS for audit purposes. Instructions for completing the Schedule D-17 are found in the Fiscal Reference Manual (FRM) Volume 3 (Volume 4 for New York City), Chapter 18. Instructions for completing the LDSS-3922 are found in FRM, Volume 2, Chapter 3. The expenditures should be entered in the non-Administration/Administration Costs columns based on the guidelines below.

According to TANF regulations, costs considered to be program are:

- Direct costs, including salaries and fringe benefit costs for staff providing program services;
- Direct administrative costs associated with providing these services (e.g., supplies, equipment, travel, postage, utilities, rental costs, and maintenance); and,
- Contracts devoted entirely to program activities.

According to TANF regulations, administrative costs include:

- Contract costs that are not excluded totally or in part as program activities;
- All indirect or overhead costs (i. e., A-87 costs); and,
- Activities related to eligibility determinations.

See Chapter 10 of Volume 3 (Volume 4 for New York City) of the Fiscal Reference Manual for detailed information on TANF administrative expenditure requirements.

Under these guidelines, districts should enter their expenditures in the proper column of the LDSS-3922. Most of the activities incurred under this program should be reported in the Non-Administration Costs column. Overhead and A-87 costs should be entered in the Administration Costs column. Expenses should be reported on the appropriate lines of the LDSS-3922, with the amount of the actual work subsidy entered on line 12, Assistance Direct to Client. Expenditures should be claimed at 100% Federal share up to the amount of the allocation.

Costs in excess of the allocation may be claimed on the Schedule D-3 Allocation and Claiming of Administrative Costs for Employment Programs (LDSS-2347-B1) as Direct Charge Costs (Line 7) under TANF Program (Column 2) for TANF eligible clients.

## **IX. System Implications**

Districts (other than NYC) are encouraged to make full use of their local Welfare-To-Work Caseload Management System (WTWCMS) provider directory to document client involvement in this program. WTWCMS administrators should use the available Statewide umbrella program funding source entitled “Transitional Employment” which displays as an active local program. Only the counties that do not participate in any of the subsidized employment programs should inactivate Transitional Employment from their respective local Program listing. The separate funding streams for Transitional Jobs, Green Jobs Corps or Health Care Jobs can easily be designated through the administrative creation of provider, site and offering records within your local directory structure.

Offering records should reflect Transitional Employment as the selected funding source, with the specific subprogram name of Transitional Jobs, Green Jobs Corps or Health Care Jobs data entered in the offering name of the allowable activity or supportive service that an individual provider agency has made available. It is important to point out that client referrals and enrollments in these program funded activities will not display on WTWCMS listings by provider, site and offering unless provider directory information is administratively created for workers to use. More importantly, workers will not have to manually data enter this same information in order to create a client referral or enrollment record on WTWCMS.

### **Issued By:**

**Name:** Russell Sykes

**Title:** Deputy Commissioner

**Division/Office:** Center for Employment and Economic Supports