




Department of  
Job and Family Services

John R. Kasich, Governor  
Michael B. Colbert, Director

**Family Assistance Letter # 113**

April 10, 2012

TO: Directors, County Departments of Job and Family Services

FROM: Trudie J. Bormann, Deputy Director   
Office of Family Assistance

SUBJECT: **TANF Summer Youth Employment Program**

We are pleased to announce the availability of TANF funding to support a TANF Summer Youth Employment Program for 2012. These dollars will enable county agencies to establish programs that enable low income TANF-eligible Ohio youth to gain valuable work experience while earning a paycheck to help meet basic needs. Summer employment programs offer the opportunity for youth to develop a work history and have a current reference from an employer.

Because of the funding source, the 2012 TANF Summer Youth Employment Program has different guidelines from the 2010 TANF Subsidized Summer Employment Program for Youth. This Family Assistance Letter governs the 2012 TANF Summer Youth Employment Program and supersedes all previous letters.

All counties that intend to operate a TANF Summer Youth Employment Program must inform the Office of Family Assistance by **April 15, 2012** in order to qualify for participation and ensure equitable distribution of funds.

**FUNDING**

A total of \$26 million in federal TANF funds will be available for the 2012 TANF Summer Youth Employment Program. For State Fiscal Year 2012, \$3 million will be available to counties. For State Fiscal Year 2013, \$23 million will be made available through the duration of the program.

Funding will be made available through county TANF allocations and will be administered through Prevention, Retention and Contingency (PRC) programs.

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## **LENGTH OF OPERATION**

This program will operate from June 1, 2012 to August 31, 2012. Normal PRC allocation liquidation rules will apply. Counties may start recruitment activities aimed at developing relationships with employers and recruiting youth into the program on May 15, 2012. However, wage subsidies and other costs may not be charged against the allocation until June 1, 2012.

## **DETAILS OF THE PROGRAM**

To qualify for this program, county agencies must:

- Continue an existing summer youth employment program or develop a new summer youth employment program that will start on or after June 1, 2012;
- Amend its Prevention, Retention and Contingency (PRC) plan to include the summer youth employment program if the program is not included in the plan already;
- Follow state and federal TANF and PRC requirements, including Rule 5101:1-3-16 of the Ohio Administrative Code;
- Complete reports regarding outcomes to be developed by the Office of Family Assistance; and
- Correctly code expenditures to the proper fiscal codes (codes and instructions will be forthcoming from ODJFS, Office of Fiscal and Monitoring Services).

## **COUNTY PRC PLAN**

Counties must amend their PRC plan to be able to use these funds. The PRC plan shall include a description of activities and services that are to be provided. In their PRC plans, county agencies must establish the eligibility requirements for the participants. In defining eligibility criteria, a county's PRC plan must identify the income standard and any other criteria or limitation(s) the county specifies. As with any amendments to the PRC plan, amendments pertaining to the TANF Summer Youth Employment Program must be submitted to the [Program-Policy@jfs.ohio.gov](mailto:Program-Policy@jfs.ohio.gov) mailbox.

**TANF Purpose-** the TANF Summer Youth Employment Program meets the first two purposes of TANF:

1. To provide assistance to needy families so that the children may be cared for in their homes or the homes of relatives.
2. To end dependence of needy parents on governmental benefits by promoting job preparation, work and marriage.

**Eligibility-** A summer youth employment program funded through PRC shall only serve persons from a TANF-eligible family. The types of persons that may be served are:

- Youth ages 14-17, as long as the youth is a minor child in a needy family and is in school (youth may be 18 if they are a full time student in a secondary school) ;

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- Youth ages 18-24, as long as they are in a needy family that also has a minor child; or
- Youth ages 18-24 that have a minor child and are considered needy.

The youth served may be non-custodial parents as long as they are considered "needy" and have a minor child. "Needy" is not specifically defined by state or federal regulation but may be no greater than income at 200% of the federal poverty level.

*Minor Child* and *Families* are defined in Federal and State regulations. *Minor child* means an individual who: (1) Has not attained 18 years of age; or (2) Has not attained 19 years of age and is a full-time student in a secondary school (or in the equivalent level of vocational or technical training). *Families* are defined by federal regulation and state law as follows: a minor child who resides with a parent, specified relative, legal guardian or legal custodian (a child may be temporarily absent from the home provided certain requirements are met); a pregnant individual with no other children; or a non-custodial parent who lives in the state, but does not reside with his/her minor child(ren).

## **LIMITS FOR WAGE SUBSIDIES**

Wages for summer youth employment are capped at \$10.00 per hour for this allocation. Performance bonuses or lump sum payments are not allowed.

Further, a county department of job and family services may not pay the youth directly, because the funds are wage subsidies, which the U.S. Department of Health and Human Services has defined as payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training. A county department of job and family services paying the youth directly, rather than reimbursing the employers who would pay wages to the youth, would too closely resemble payments for cash assistance and engagement in work activities.

The TANF Summer Youth Employment program is a different program from the Workforce Investment Act (WIA) Summer Youth Employment Program. One of the key distinctions is who pays the wages to the youth; in the WIA summer youth program, the wages are paid by the agency and not the employer. However, should a county department of job and family services contract with a WIA agency as a third party contractor, that WIA agency may pay the wages to the youth as the employer of record.

## **ALLOWABLE COSTS**

Allowable costs under this program include:

- Payments to employers for wages (at no higher than \$10.00 per hour) and fringe benefits;
- Payments to third parties to operate the program;
- Recruitment and development of employers for the program;
- Other ancillary services which are offered by the employer to the summer youth employment participants including:
  - Work related items such as uniforms, tools, licenses or certifications;

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- Case management activities related to the program; and
- Job coaches and mentors.
- Worker compensation expenses;
- FICA;
- Direct supervision and training costs;
- Work clothing if it necessary for employment at the specific job placement; and
- Transportation costs to and from the work site.

The cost of health insurance for youth may not be charged against this allocation; however, the cost of health insurance for staff employed by a third party to operate the program can be charged against this allocation.

### **ADMINISTRATIVE COSTS**

The TANF Summer Youth Employment Program funding does not include TANF administration. Federal regulations define what is considered TANF administration and they are also set forth in rule 5101:9-6-08.8 of the Ohio Administrative Code.

The following activities and/or expenses are considered TANF administration and cannot be charged to this allocation:

- **Costs associated with eligibility determination activities;**
- Salaries and benefits of staff performing administrative and coordination functions;
- Preparation of program plans, budgets, reports and schedules, and the monitoring of program and projects;
- Fraud and abuse units;
- Services related to accounting, litigation, audits, management property, payroll, personnel, procurement, and public relations;
- Costs of goods and services and travel costs required for official business and the administration of the program unless excluded under paragraph (A) of rule 5101:9-6-08.8 of the Ohio Administrative Code ; and,
- Management information systems not related to the tracking and monitoring of the program.

Costs considered to be TANF administration may be charged to county TANF Administration allocations pursuant to rule 5101:9-6-08.8 of the Ohio Administrative Code.

### **REPORTING REQUIREMENTS**

A new reporting tool is being developed to capture the data necessary to track the outcomes for the youth participants in the program. County agencies will be required to designate a reporting contact to the Office of Family Assistance with an email address. There will be monthly reporting of information about participants, including individual data such as program begin

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date, program end date, age, employer, type of employment, reason for leaving, salary, average hours per week; and specialized skills gained.

Also, a pre-employment competencies inventory and a post-employment competencies inventory will be required for all participating youth. A standard tool will be provided for use.

The Office of Family Assistance will provide additional information regarding the reporting tool and requirements for data collection in a subsequent letter.

All documentation is to be kept in case files at the county agency. There are no requirements to enter documentation into CRIS-E. TANF Summer Youth Employment Program contracts, applications, eligibility determinations, expenditures, invoices, etc. shall be retained for auditing purposes.

## **CERTIFICATES OF COMPLETION**

Each county agency is required to issue to the participating youth who completed the summer youth program a Certificate of Completion. Youth who left the program before completion will not be eligible for a certificate. The design of the certificate will be left up to each county agency. The certificate shall contain, at a minimum, the following items:

- The name of the program (TANF Summer Youth Employment Program);
- The name of the youth;
- The dates of participation; and
- The name of the employer.

## **COUNTING OF INCOME FOR PUBLIC ASSISTANCE PROGRAMS**

*Food Assistance:* Pursuant to Rule 5101:4-4-19 of the Ohio Administrative Code, income received from the TANF Summer Youth Employment Program is considered countable earned income for the food assistance program, except for those food assistance participants 17 years old or younger who are enrolled in secondary school.

Also, pursuant to Rule 5101:1-23-20 (D)(1)(c) of the Ohio Administrative Code, earnings received from participation in the TANF Summer Youth Employment Program are countable in determining Ohio Works First eligibility and level of benefits when the participant is a minor parent or does not meet the definition of a minor child. Income received from the program by non-parent minors who meet the definition of a minor child (because the minor is either under 18 years of age, or is age 18 and attending high school full time) is excluded from the determination of Ohio Works First eligibility for the family.

### **THIRD PARTY CONTRACTING**

A county agency may enter into a contract or grant with a third party provider. In the agreement, a county agency may pay for the third party's costs to administer or operate the program so long as those costs do not include the items considered as TANF administrative costs pursuant to rule 5101:9-6-08.8, which includes eligibility determinations. Please see the attachment to this letter for further information on grant and contracting options.

Any questions concerning procurement and contracting should be referred to the ODJFS Fiscal Supervisor assigned to your agency or to the Technical Assistance Section in the Office of Fiscal and Monitoring Services, Bureau of County Finance and Technical Assistance. Several options may exist for a county agency concerning selection of partnering agencies. For further guidance on procurement, please refer to the Fiscal Administrative Procedure Manual under Local Administration: The Manual can be accessed at: <http://emanuals.odjfs.state.oh.us/emanuals/> Under Local Administration - click on Fiscal Administrative Procedure Manuals: Fiscal Administrative Procedure Letter (FAPL) 2; Ohio Administrative Code Rule 5101:9-4-07.

### **UNEMPLOYMENT COMPENSATION**

The ODJFS Office of Unemployment Compensation has stated that under Section 4141-5-05 of the Ohio Administrative Code, employers are not required to report the wages paid to youth as part of the TANF Summer Youth Employment Program. Employers should not include the youth or the youth's wages on their quarterly unemployment compensation reports. So long as the youth is not included on the wage reports, the weeks and wages should not count towards any other employment that the youth might have for the purpose of a claim.

According to the ODJFS Office of Unemployment Compensation, if employers report the wages paid to youth under this program, the employer will run the risk that those wages may be included in a benefit claim. The result would be a negative impact on that employer's contribution payment and rate. A reimbursing nonprofit employer would be required to reimburse the state for any benefits paid to the youth.

For specific questions concerning unemployment compensation, a county agency may contact James Durbin, Assistant Chief, Contribution Section, Bureau of UC Tax at 614-644-3709 or at [james.durbin@jfs.ohio.gov](mailto:james.durbin@jfs.ohio.gov).

### **CORRECTIVE ACTION PLANS**

Counties that were required to complete a corrective action plan (CAP) for the 2010 TANF Subsidized Summer Employment Program for Youth must complete and have received approval for their corrective action plan from the Office of Family Assistance before they will be allowed to participate in this TANF Summer Youth Employment Program.

## **ADDITIONAL REQUIREMENTS**

Please be aware that all child labor laws and regulations do apply. An overview of child labor requirements can be referenced at <http://www.dol.gov/dol/topic/youthlabor/>.

## **RESOURCES**

Individual questions about 2012 TANF Summer Youth Employment Program activities and PRC plans can be emailed to [Program-Policy@jfs.ohio.gov](mailto:Program-Policy@jfs.ohio.gov). Information about state and federal requirements for the PRC program can be found in the PRC Reference Guide, at <http://jfs.ohio.gov/owf/prc/>.

**A video conference is scheduled for interested counties on April 17, 2010 at 9:30 a.m. A formal announcement and agenda will be issued soon.**

For further information about the 2012 TANF Summer Youth Employment Program, please feel free to contact Matthew Cunningham either by email at [matthew.cunningham@jfs.ohio.gov](mailto:matthew.cunningham@jfs.ohio.gov) or phone at 614-644-1296.

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