

FY 2013

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Community Service Employment for Older Americans

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

TABLE OF CONTENTS

| | |
|--|----|
| Appropriation Language | 1 |
| Explanation of Language Change | 2 |
| Analysis of Appropriation Language | 3 |
| Amounts Available for Obligation..... | 4 |
| Summary of Changes | 5 |
| Summary Budget Authority and FTE by Activity | 6 |
| Budget Authority by Object Class | 7 |
| Performance Structure | 8 |
| Significant Items in Appropriation Committees' Reports | 9 |
| Appropriation History | 10 |
| Budget Activities | 11 |
| Community Service Employment for Older Americans..... | 11 |

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Appropriation Language

The Administration is requesting funding for this program in the Department of Health and Human Services.

GENERAL PROVISION TO TRANSFER CSEOA FROM THE DEPARTMENT OF LABOR TO DEPARTMENT OF HEALTH AND HUMAN SERVICES

TRANSFER OF OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM TO DEPARTMENT OF HEALTH AND HUMAN SERVICES (a) IN GENERAL.---Notwithstanding any other provision of law, the Community Service Employment for Older Americans (CSEOA) program under title V of the Older Americans Act of 1965 (42 U.S.C. 3056), and the authority to administer such program, shall be permanently transferred from the Secretary of Labor to the Secretary of Health and Human Services, acting through the Assistant Secretary for Aging. (b) TRANSFER OF FUNCTIONS, ASSETS, AND LIABILITIES.---The functions, assets and liabilities of the Secretary of Labor relating to the CSEOA program be transferred to the Secretary of Health and Human Services. (c) EFFECTIVE DATE OF TRANSFER.---The transfer under this section shall be effective no later than the last day of the second full fiscal quarter following the quarter in which this section is enacted.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

EXPLANATION OF LANGUAGE CHANGE

In FY 2013 and thereafter, the Administration has proposed to transfer responsibility for administering the Community Service Employment for Older Americans program authorized under title V of the Older Americans Act from the Department of Labor to the Department of Health and Human Services, which administers the other programs authorized under the OAA. The language providing for the transfer is contained in the General Provisions under title V of this Act. The account for the appropriations to carry out the program is included in title II under the appropriations to the Department of Health and Human Services.

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER
AMERICANS**

ANALYSIS OF APPROPRIATIONS LANGUAGE

Not applicable.

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER
AMERICANS**

| AMOUNTS AVAILABLE FOR OBLIGATION | | | | | | |
|---|--------------------|------------------|--------------------|------------------|--------------------|------------|
| (Dollars in Thousands) | | | | | | |
| | FY 2011 Enacted | | FY 2012 Enacted | | FY 2013 Request | |
| | FTE | Amount | FTE | Amount | FTE | Amount |
| A. Appropriation | 0 | \$500,000 | 0 | \$449,100 | 0 | \$0 |
| Reduction Pursuant to P.L. 112-10 for FY 2011 | 0 | \$-900 | 0 | \$0 | 0 | \$0 |
| Reduction Pursuant to P.L. 112-74 for FY 2012 | 0 | \$0 | 0 | -\$849 | 0 | \$0 |
| <i>Subtotal Appropriation</i> | <i>0</i> | <i>\$449,100</i> | <i>0</i> | <i>\$448,251</i> | <i>0</i> | <i>\$0</i> |
| | | | | | | |
| B. Gross Budget Authority | 0 | \$449,100 | 0 | \$448,251 | 0 | \$0 |
| Real Transfer From: | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| SUIESO | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Offsetting Collections: | | | | | | |
| Reimbursements | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Fees | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Expenditure Transfers to PA | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| <i>Subtotal Offsetting Collections</i> | <i>0</i> | <i>\$0</i> | <i>0</i> | <i>\$0</i> | <i>0</i> | <i>\$0</i> |
| | | | | | | |
| C. Budget Authority | 0 | \$449,100 | 0 | \$448,251 | 0 | \$0 |
| Before Committee | 0 | \$449,100 | 0 | \$448,251 | 0 | \$0 |
| Real Transfer From: | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| SUIESO | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Offsetting Collections: | | | | | | |
| Reimbursements | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Fees | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Expenditure Transfers to PA | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| <i>Subtotal Offsetting Collections</i> | <i>0</i> | <i>\$0</i> | <i>0</i> | <i>\$0</i> | <i>0</i> | <i>\$0</i> |
| | | | | | | |
| D. Total Budgetary Resources | 0 | \$449,100 | 0 | \$448,251 | 0 | \$0 |
| Unobligated Balance End-of-Year | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| | | | | | | |
| E. Total, Estimated Obligations | 0 | \$449,100 | 0 | \$448,251 | 0 | \$0 |

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SUMMARY OF CHANGES

(Dollars in Thousands)

| | FY 2012 Enacted | FY 2013 Request | Net Change |
|----------------------------------|--------------------|--------------------|-------------------|
| Budget Authority | | | |
| General Funds | \$448,251 | \$0 | -\$448,251 |
| Trust Funds | \$0 | \$0 | \$0 |
| Total | \$448,251 | \$0 | -\$448,251 |
| Full Time Equivalents | | | |
| General Funds | 0 | 0 | 0 |
| Trust Funds | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |

| Explanation of Change | FY 2012 Base | | Trust Funds | | FY 2013 Change General Funds | | Total | |
|--------------------------------------|--------------|-------------------|-------------|------------|---------------------------------|-------------------|----------|-------------------|
| | FTE | Amount | FTE | Amount | FTE | Amount | FTE | Amount |
| Increases: | | | | | | | | |
| A. Built-Ins: | | | | | | | | |
| To Provide For: | | | | | | | | |
| Grants, subsidies, and contributions | 0 | \$448,251 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Built-Ins Subtotal | 0 | +\$448,251 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| B. Programs: | | | | | | | | |
| Programs Subtotal | | | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Total Increase | 0 | +\$448,251 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Decreases: | | | | | | | | |
| A. Built-Ins: | | | | | | | | |
| To Provide For: | | | | | | | | |
| Built-Ins Subtotal | 0 | \$0 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| B. Programs: | | | | | | | | |
| Transfer of CSEOA to HHS | 0 | \$448,251 | 0 | \$0 | 0 | -\$448,251 | 0 | -\$448,251 |
| Programs Subtotal | | | 0 | \$0 | 0 | -\$448,251 | 0 | -\$448,251 |
| Total Decrease | 0 | \$0 | 0 | \$0 | 0 | -\$448,251 | 0 | -\$448,251 |
| Total Change | 0 | +\$448,251 | 0 | \$0 | 0 | -\$448,251 | 0 | -\$448,251 |

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

| SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY | | | | | | | | |
|---|--------------------|----------------|--------------------|----------------|--------------------|----------|-----------------------------------|-----------------|
| (Dollars in Thousands) | | | | | | | | |
| | FY 2011 Enacted | | FY 2012 Enacted | | FY 2013 Request | | Diff. FY13 Req. / FY12 Enacted | |
| | FTE | Amount | FTE | Amount | FTE | Amount | FTE | Amount |
| Community Service Employment for Older Americans | 0 | 449,100 | 0 | 448,251 | 0 | 0 | 0 | -448,251 |
| General Funds | 0 | 449,100 | 0 | 448,251 | 0 | 0 | 0 | -448,251 |
| Total | 0 | 449,100 | 0 | 448,251 | 0 | 0 | 0 | -448,251 |
| General Funds | 0 | 449,100 | 0 | 448,251 | 0 | 0 | 0 | -448,251 |

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER
AMERICANS**

| BUDGET AUTHORITY BY OBJECT CLASS | | | | | |
|---|--------------------------------------|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2011 Enacted | FY 2012 Enacted | FY 2013 Request | Diff. FY13 Req./ FY12 Enacted |
| | Full-Time Equivalent | | | | |
| | Total | 0 | 0 | 0 | 0 |
| | Average ES Salary | \$0 | \$0 | \$0 | \$0 |
| | Average GM/GS Grade | 0 | 0 | 0 | 0 |
| | Average GM/GS Salary | \$0 | \$0 | \$0 | \$0 |
| | Average Salary of Ungraded Positions | 0 | 0 | 0 | 0 |
| | | | | | |
| 41.0 | Grants, subsidies, and contributions | 449,100 | 448,251 | 0 | -448,251 |
| | Total | 449,100 | 448,251 | 0 | -448,251 |
| | | | | | |

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

PERFORMANCE STRUCTURE

| Strategic and Outcome Goals Supporting Secretary Solis' Vision of <i>Good Jobs for Everyone</i> | Supporting Appropriations |
|--|---|
| Strategic Goal 1 – Prepare Workers for Good Jobs and Ensure Fair Compensation | |
| 1.1 Increase workers' incomes and narrow wage and income inequality. | <ul style="list-style-type: none"> • Community Service for Older Americans |
| 1.2 Assure skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs. | |
| 1.3 Help workers who are in low-wage jobs or out of the labor market find a path into middle class jobs. | <ul style="list-style-type: none"> • Community Service for Older Americans |
| 1.4 Help middle-class families remain in the middle class. | <ul style="list-style-type: none"> • Community Service for Older Americans |
| 1.5 Secure wages and overtime. | |
| 1.6 Foster acceptable work conditions and respect for workers' rights in the global economy to provide workers with a fair share of productivity and protect vulnerable people. | |
| Strategic Goal 2 – Ensure Workplaces Are Safe and Healthy | |
| 2.1 Secure safe and healthy workplaces, particularly in high-risk industries. | |
| Strategic Goal 3 – Assure Fair and High Quality Work-Life Environments | |
| 3.1 Break down barriers to fair and diverse work places so that every worker's contribution is respected. | |
| 3.2 Provide workplace flexibility for family and personal care-giving. | |
| 3.3 Ensure worker voice in the workplace. | |
| Strategic Goal 4 – Secure Health Benefits and, for Those Not Working, Provide Income Security | |
| 4.1 Facilitate return to work for workers experiencing workplace injuries or illnesses who are able to work. | |
| 4.2 Ensure income support when work is impossible or unavailable. | |
| 4.3 Improve health benefits and retirement security for all workers. | |
| Strategic Goal 5 – Assure the Production of Timely and Accurate Data on Social and Economic Conditions of Workers and their Families | |
| 5.1 Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans. | |

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SIGNIFICANT ITEMS FROM THE FY 2012 CONFERENCE REPORT (H. Rept. 112-331), the JOINT STATEMENT OF MANAGERS, and the SENATE REPORT ACCOMPANYING S. 1599 (112-84)

S. Report
112-84
Page 19

The Committee strongly encourages grantees to develop and implement research-based curriculum designed specifically for older adults.

ETA Response: SCSEP grantees have a small amount of funds available for classroom or online training, as most funds are statutorily dedicated to wages and benefits for paid community service employment opportunities. However, the Department encourages grantees to use training when appropriate to improve employment prospects for unemployed low-income seniors and will encourage grantees to consider research-based curricula among those training strategies.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

| APPROPRIATION HISTORY (Dollars in Thousands) | | | | | |
|--|-------------------------------------|------------------------|-------------------------|-----------------------|------------|
| | Budget Estimates to Congress | House Allowance | Senate Allowance | Appropriations | FTE |
| 2003...1/ | \$440,200 | \$440,200 | \$440,200 | \$442,306 | 0 |
| 2004...2/ | 440,200 | 440,200 | 442,306 | 438,650 | 0 |
| 2005...3/ | 440,200 | 440,200 | 440,200 | 436,678 | 0 |
| 2006 | 436,678 | 436,678 | 436,678 | 432,311 | 0 |
| 2007 | 388,311 | 388,311 | 388,311 | 483,611 | 0 |
| 2008...4/ | 350,000 | 530,900 | 483,611 | 521,625 | 0 |
| 2009...5/ 6/ | 350,000 | 0 | 571,925 | 571,925 | 0 |
| 2010 | 575,425 | 615,425 | 575,425 | 825,425 | 0 |
| 2011 | 600,425 | 0 | 0 | 449,100 | 0 |
| 2012...7/ | 0 | 0 | 0 | 448,251 | 0 |
| 2013 | 0 | 0 | 0 | 0 | 0 |

1/ Reflects the Conference action including a rescission of 0.59%.

2/ Reflects a 0.8% government-wide rescission pursuant to P.L. 108-447.

3/ Reflects a 1.747% rescission pursuant to P.L. 110-161.

4/ This bill was only reported out of Subcommittee and was not passed by the Full House.

5/ \$120,000,000 in Recovery Act funds were provided pursuant to P.L. 111-5

6/ Reflects a .2 across-the-board rescission pursuant to P.L. 112-10.

7/ Reflects a .189% across-the-board rescission pursuant to P.L. 112-74.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|---|
| (Dollars in Thousands) | | | | |
| | FY 2011 Enacted | FY 2012 Enacted | FY 2013 Request | Diff. FY 13 Req. / FY 12 Enacted |
| Budget Authority | 449,100 | 448,251 | 0 | -448,251 |
| FTE | 0 | 0 | 0 | 0 |

Introduction

The Community Service Employment for Older Americans (CSEOA) program is the only Federally-funded program dedicated to serving unemployed low-income seniors, and is more commonly known as the Senior Community Service Employment Program (SCSEP). SCSEP supports employment of older workers by providing part-time, paid community service positions and work-based training for unemployed, low-income individuals, age 55 and older. SCSEP grantees have served an average of over 90,000 participants per program year since 2004. While the income eligibility requirement allows participants at income levels up to 125 percent of the Federal poverty level, 88 percent of participants live at or below the poverty level. The average age of participants at entry is 64 years.

SCSEP, as authorized by the Older Americans Act, has a dual purpose: “to foster individual economic self-sufficiency and to increase the number of participants placed in unsubsidized employment in the public and private sectors, while maintaining the community service focus of the program.” In PY 2010, 47 percent of participants exited the program and were employed in the quarter following exit. Of those, 70 percent retained employment through the next two quarters. In PY 2010, SCSEP participants contributed more than 67 million hours of community service to non-profit and governmental agencies in their communities.

SCSEP grantees include 56 units of state and territorial government, and 18 competitively-selected national grantees. SCSEP-funded services are available in nearly all 3,000 U.S. counties and territories. SCSEP funds are equitably distributed by a statutorily-prescribed formula that considers the number of low-income seniors residing in each state and county.

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|---------------------------|---|-------------------|
| 2008 | \$521,625 | 0 |
| 2009 | \$571,925 | 0 |
| 2010 | \$825,425 | 0 |
| 2011 | \$449,100 | 0 |
| 2012 | \$448,251 | 0 |

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Funding Mechanism

SCSEP has been funded by a formula set forth in Title V, section 506 of the Older Americans Act (OAA) (PL 109-365, 42 U. S. C. 3056 et seq.). In general, the formula allocates funds to every state, the District of Columbia, and Puerto Rico based on U.S. Census data on the number of individuals in that jurisdiction who are 55 and older with low per-capita income. Prior to determining the amount available to be allocated to the states, the District of Columbia, and Puerto Rico, funds are reserved for the following: a) up to 1.5 percent of the total authorization as determined by the Secretary of Labor for pilots, demonstration and evaluation projects; b) a fixed percentage of 0.75 percent of the total allocation to the Territories of Guam, the U.S. Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands; and c) a portion determined by the Secretary of Labor for national public or non-profit agencies to serve eligible American Indian and Pacific Island/Asian American individuals.

After the reserve amounts are specified and the funding proportion for each state is determined by the formula, funds are allocated to and administered through grants to the state governors and national non-profit agencies. Approximately 22 percent of formula funds are awarded to the governors, with 78 percent awarded to national non-profit agencies for services across the country. In 2006, the Department conducted a competition for the national grantees. As a result, 18 national non-profit organizations received SCSEP funds, including three organizations under the Indian and Pacific Islands /Asian Americans set-aside. Under the Older Americans Act (OAA) 2006 amendments, these grants are to be renewed annually for four years, with an optional one-year extension.

The Department is preparing a competition for national grantees with FY 2012 funds. Between 10 and 20 awards are expected as a result of this Solicitation for Grant Applications (SGA).

In general, 75 percent of Federal funds must be spent on wages and benefits to participants with the remaining funds for other participant costs, with an option to use 10 percent of these funds for training. There is, however, a 13.5 percent cap on administrative expenses. The Federal funds provided to each of the 74 grantees can be no more than 90 percent of the total project amount, with the non-federal matching requirement in either cash or in-kind.

FY 2013

SCSEP has a dual purpose of providing community service and fostering economic self-sufficiency. In an economic climate where low-income older workers have fared worse than other segments of the working population, it is vital to maintain SCSEP and to continue funding at the highest possible level within budget constraints. Transferring SCSEP to the Department of Health and Human Services (HHS) Agency on Aging would place the program in an agency that shares the mission of helping older Americans maintain their independence (both economic independence and living arrangements) and active participation in communities.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

The SCSEP program has been administered since its inception in 1965 by the Department of Labor, making it the only program under the Older Americans Act that is not housed within HHS. The OAA is the primary authorization for delivery of social services to seniors and their caregivers. At the state and local level, these services work hand-in-hand with SCSEP. Of the 56 state and territorial grantees that operate SCSEP programs, 39 are offices on aging, senior services or health and human services departments, and 17 are in state departments of labor. A move to HHS would consolidate Federal oversight of the OAA under one department, streamlining operations and putting Federal administration of CSEOA in alignment with operations in the field.

Transferring SCSEP to HHS will also strengthen partnerships between SCSEP and other safety-net programs, including programs authorized by the Older Americans Act and currently administered by the Administration on Aging. These include homemaker and home health aides, congregate and home-delivered meals, and friendly visiting programs as well as utility discounts, food stamps, SSI, transportation assistance and subsidized housing. In addition to overseeing many of these added supports, HHS has an established relationship with the Corporation for National and Community Service's "Senior Corps" – an umbrella term for three Federally-administered national service programs which offer an alternative to SCSEP for seniors who wish to be involved in community service. The scheduled reauthorization of the Older Americans Act in 2012 provides an opportunity to revisit the mission of SCSEP and to address any issues around administrative alignment.

At the same time, SCSEP would continue to be a vehicle through which unemployed seniors obtain work-based training, earn income, and move toward unsubsidized employment. The Department of Labor will continue its partnership with HHS to support the needs of seniors by training older workers to help other seniors thrive in the workforce.

FY 2012

A national grant competition for 78 percent of all SCSEP funds marks a transition from existing national SCSEP grantees to new national grantees. The Department expects to award 10 to 20 grants to provide SCSEP services to approximately 3,000 counties. American Indian and Pacific Island/Asian American organizations will also be selected. As required by the legislation, new FY 2012 grantees are expected to assume their responsibilities with the least possible disruption to current participants. To ensure adherence to the statutes, policies, and regulations, the Department will be conducting mandatory training for both new and continuing grantees at the time of transition and throughout the year.

The Department anticipates serving 70,718 SCSEP participants in FY 2012 through the new national grants and on-going grants to all the states, District of Columbia, Puerto Rico and four U.S. territories. The Department will support positive employment and community service outcomes for these participants through on-going programmatic technical assistance focused on several key areas: (1) developing and maintaining appropriate management strategies to adapt to reduced funding and to ensure accountability and transparency; (2) evaluating and adjusting

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

recruitment and enrollment policies for reduced funding allocations; (3) ensuring consistency and quality in grantee policies for areas such as for-cause termination, grievances, and individual durational limit policies.

In addition to the valuable community services provided by SCSEP participants, the Department believes that the SCSEP experience encourages trainees to continue volunteering after they leave the program. To acknowledge the value of post-SCSEP volunteering to both communities and to the participants themselves, the Department is publishing a Final Rule on a performance indicator for volunteerism in FY 2012 to establish performance measures for the number of participants who volunteer after leaving SCSEP and the number of volunteer hours they contribute.

The Department continues to value its collaboration with the Department of Health and Human Services Administration on Aging. In FY 2012, the Department will continue to build on the collegial work of 2011 as it implements the SGA and moves towards the proposed transfer of SCSEP from DOL to HHS.

FY 2011

The FY 2011 appropriation of \$449,100,000 allowed the Department to address the unique employment and training needs of low-income people including veterans over 55 during difficult economic times. The targeted programs offered by the 50 states, the territories, the set-aside organizations and the 18 national grantees focused on individuals with multiple barriers who had not found employment after using the One-Stop Career Centers. In FY 2011, SCSEP served 70,852 people with 46,309 positions at an average cost of \$6,339 per participant. Typically, more than one individual will use each available position with an average of 1.5 persons served in each position. Technical assistance during FY 2011 emphasized training for high demand jobs in growing fields. It also promoted the use of job clubs and an increased use of the “On-the-Job-Experience” component.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

| DETAILED WORKLOAD AND PERFORMANCE | | | | |
|--|----------------------------|---------------|----------------------------|----------------------------|
| | PY 2011 Enacted | | PY 2012 Enacted | PY 2013 Request |
| | Target | Result | Target | Target |
| Community Service Employment for Older Americans | | | | |
| Strategic Goal 1 - Prepare workers for good jobs and ensure fair compensation. | -- | -- | -- | -- |
| Outcome Goal 1.1 - Increase workers' incomes and narrow wage and income inequality. | -- | -- | -- | -- |
| Six Months Average Earnings | \$6,984.00 | \$7,608.00 | \$7,000.00 | -- |
| Authorized Positions (slots) | 46,309 | 46,309 | 46,221 | -- |
| Turnover Rate | 1.53 | 1.24 | 1.53 | -- |
| Participants Served | 70,852 | 85,113 | 70,718 | -- |
| Cost per Participant | \$6,338.56 | \$6,338.56 | \$6,338.56 | -- |
| Strategic Goal 1 - Prepare workers for good jobs and ensure fair compensation. | -- | -- | -- | -- |
| Outcome Goal 1.3 – Help workers who are in low-wage jobs or out of the labor market find a path into middle class jobs. | -- | -- | -- | -- |
| Entered Employment | 44.10% | 47.00% | 45.00% | -- |
| Employment Retention | 64.50% | 70.00% | 65.00% | -- |

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

Workload and Performance Narrative

Note: The following narrative pertains to FY 2011 and FY 2012 only. The Workload and Performance Narrative for FY 2013 will be developed by Health and Human Services, Administration on Aging.

SCSEP uses the following five measures to track performance outcomes and determine if the program is meeting the proposed targets: Six Months Average Earnings, Authorized Positions, Turnover Rate, Participants Served and Cost per Participant. Six Months Average Earnings indicates the average earnings in the second and third quarters after exit for those individuals who exit the program for unsubsidized employment. The number of authorized positions, turnover rate, and participants served and cost per participant are all directly related to allowance level. The number of authorized positions is calculated by dividing the total allowance by cost per position. The cost per position is determined by the Department in a formula in the SCSEP legislation. The national average unit cost includes all costs of administration, other participant costs, and participant wage and benefit costs as defined in Section 506(g) of the Older Americans Act. As previously noted, the cost per participant (shown in the above chart) is lower than the

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

cost per position based on the turnover rate. Participant data is derived by using quarterly report estimates. All numbers are calculated on a four rolling quarter basis.

SCSEP also measures entered employment and employment retention in order to support progress toward the goal of helping workers who are in low-wage jobs or out of the labor market find a path to middle class jobs. In addition to these common performance measures, SCSEP is statutorily required to measure a series of additional outcomes, such as the aggregate hours of community service employment, the number of most-in-need individuals served, and retention in unsubsidized employment for one year. An annual customer satisfaction survey of participants, host agencies and employers is also required. Performance targets are set for the program based on grantees' actual performance and adjusted grantee-by-grantee to the degree that they are affected by levels of poverty, unemployment, and participant barriers to employment in their local service areas.

The FY 2011-2012 targets for entered employment, retention, and average earnings are based on a methodology for setting national performance targets using regression analysis. This regression uses program results from the prior year, current labor market conditions, and individual characteristics to correct for the effects of the business cycle and labor market conditions on the outcomes of employment and training programs, producing targets that objectively reflect the impact of the economic environment on program performance.

Where final data, rather than estimates, have been used to derive targets, the sources of these data are the SCSEP quarterly progress reports generated by the SCSEP Performance and Results Quarterly Progress Report (SPARQ) system, an online data collection and performance reporting system.

To gauge grantee progress toward the above targets, the Department tracks and monitors grantee outputs through the use of intensive and ongoing program monitoring and oversight activities. Aggregate and grantee-level data from the SPARQ system is used to generate quarterly reports on performance. This information aids Federal Project Officers during on-site and desk reviews, as well as national office staff who track the performance on a regular basis. The Department aims to improve grantee performance through the technical assistance strategies used to support grantees, including webinars, desk aids, conferences, and regular conference calls and other communication with grantees. The annual customer satisfaction survey is conducted and reviewed by stakeholders including the Department, as well as grantees and employers and can provide insight on strengths and weaknesses of the program to aid in continuous program improvement efforts.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

CHANGES IN FY 2013 (Dollars in Thousands)

| | | |
|--------------------------------------|-------------------|------------|
| Activity Changes | | |
| Built-In | | |
| To Provide For: | | |
| Grants, subsidies, and contributions | \$0 | |
| Built-Ins Subtotal | \$0 | |
| Net Program | -\$448,251 | |
| Direct FTE | 0 | |
| | Estimate | FTE |
| Base | \$448,251 | 0 |
| Program Decrease | -\$448,251 | 0 |