

Part 5: Unsubsidized Employment

500 Placement, Entered Employment, Retention and Earnings Goals and Follow-up Requirements

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500 Placement, Entered Employment, Retention and Earnings Goals and Follow-up Requirements

A. Responsibility to Place Participants in Unsubsidized Employment

To ensure the maximum number of eligible individuals have the opportunity to participate in SCSEP, it is important for each project sponsor to make every attempt to help place participants into unsubsidized employment. Using knowledge of the local labor market, sponsors should help participants train and secure positions that promote self-sufficiency.

Subgrantees are responsible for helping participants who have unsubsidized employment as a goal in their Individual Employment Plans to receive services and take actions to achieve that goal, and it is the responsibility of participants who have unsubsidized employment in their IEP to participate actively in job search activities. Subgrantees must contact private and public employers directly or through the American Job Center/One-Stop delivery system to develop or identify suitable unsubsidized employment opportunities. They must also encourage host agencies to assist participants in their transition to unsubsidized employment, including unsubsidized employment with the host agency. **In addition, subgrantees must document participant's job search activity either in the IEP or case notes.**

SSAI sets an unsubsidized placement goal with each subgrantee in the Sponsor Agreement (for more information, see 100-B Sponsor Agreement). Each subgrantee has from July 1 each year through June 30 of the following year to meet its target for an actual number of participants exited into unsubsidized jobs.

B. “Unsubsidized Placement” Definition and Performance Goal

SCSEP’s performance goal for unsubsidized placement is a percentage set by SSAI by dividing the number of participants who exit into unsubsidized positions during a program year (between July 1 – June 30) by the number of modified authorized positions. It looks like this:

$$\frac{\text{Number of participants to exit into unsubsidized employment}}{\text{Number of modified authorized positions}}$$

The total number of authorized positions and modified authorized positions each sponsor has per county can be found in Attachment A of the Sponsor Agreement.

C. “Entered Employment” Definition and Performance Goal

Unsubsidized employment is employment with wages and benefits paid by the employer and not subsidized by SCSEP or other federal or state subsidy programs (for example, not subsidized by AmeriCorps, a Foster Grandparent program or a Workforce Innovation and Opportunity Act program). The employment may be with one or more employers and not necessarily continuous.

An unsubsidized position requires a minimum of one (1) hour of employment within the first quarter after the quarter of exit. Each day a participant is on the payroll of an employer counts as unsubsidized employment, even if he or she did not perform services each day.

SCSEP's performance goal for the number of program participants who enter employment is calculated by dividing the total number of participants employed in the first quarter after they exit by the total number of adult participants who exit during the quarter. It looks like this:

$$\frac{\text{Total number of participants employed in the first quarter after they exit}}{\text{Total number of adult participants who exit during the quarter}}$$

The U.S. Department of Labor calculates this performance measure for exits from April of one year through March of the next. Because this timeframe does not sync with a July-to-June budget, SSAI focuses its SCSEP network on achieving the unsubsidized placement goal with regard to what's needed for budget purposes, and doing the required follow-ups to achieve both entered employment and unsubsidized placement goals.

A participant who becomes self-employed may be considered to have gained unsubsidized employment if the individual works for himself or herself (and not as an employee of an organization or another person) and earns income from a trade or business. Self-employed persons need a Taxpayer Identification Number, which could be their social security number or an individual taxpayer number. If a self-employed person hires additional employees, s/he will need an Employer Identification Number.

To verify self-employment for an exiting participant, you must have copies of documentation in the participant's file (for example, business cards, invoices or the Taxpayer Identification Number registration).

Self-employment is counted towards SCSEP performance goals for retention and entered employment but not toward the average earnings measure (for explanations of these goals, see section 500-D Retention and Average Earnings Goals Must Be Met).

Project staff needs to conduct Follow-up #1 and enter the information into SPARQ to get credit for the entered employment performance measure.

D. Retention and Average Earnings Goals Must Be Met

In addition to meeting performance goals for unsubsidized employment (see section 500-A Responsibility to Place Participants in Unsubsidized Employment) and entered employment (see section 500-C "Entered Employment" Definition and Performance Goal), project sponsors also are responsible for meeting specified goals for retention in unsubsidized employment and earnings.

The SCSEP performance goal for retention in unsubsidized employment for six months is calculated by dividing the number of adult participants employed in BOTH the second and third quarters after their exit quarter by the number of adult participants who exit during the quarter. It looks like this:

$$\frac{\text{Number of participants employed in BOTH the second and third quarters after their exit quarter}}{\text{Number of adult participants who exit during the quarter}}$$

Retention is most strongly promoted by helping participants secure employment that is suitable to their abilities, work-related interests and work values. A strong fit between the skills and aptitudes of participants and the requirements of a job will produce higher retention rates. To achieve the retention rate, the participant must be employed in a full- or part-time unsubsidized job during both the second and third quarters after the exit quarter.

Project staff needs to conduct follow-up #2 and enter the data into SPARQ to get credit for the retention performance measure.

To achieve the average earnings goal, participants must earn wages in both the second and third quarter after the exit quarter. The SCSEP performance goal for earnings is calculated by dividing the total earnings of adult participants employed in the first, second AND third quarters after their exit quarter by the number of adult participants who exit during the quarter. It looks like this:

$$\frac{\text{Total earnings of adult participants employed in the first, second and third quarters after their exit quarter}}{\text{Number of adult participants who exit during their quarter}}$$

Note that only the wages of exiters who entered employment *and* who were employed during both quarters of the reporting period are included in the earnings measure.

Project staff needs to conduct follow-up #2 and enter the data into SPARQ to get credit for the average earnings performance measure.

SCSEP funds may support the project director's necessary follow-up services (see section 500-H Documentation of Follow-up Required). As SCSEP funds are limited, SSAI encourages project sponsors to leverage other community resources to provide supportive services for an employee in unsubsidized employment; project sponsors are allowed to use Other Program Costs funds for this purpose (for more information, see section 1002 Sponsor's SSAI Project Budget and Reimbursable Costs).

E. Participant Responsible for Seeking Unsubsidized Employment

In addition to the efforts made by the project directors, participants are responsible for seeking unsubsidized employment on their own. At the orientation session and throughout the participant's enrollment, the project director should encourage him or her to search and apply for unsubsidized jobs. The Initial Assessment and Individual Employment Plan should be used as tools for identifying potential unsubsidized employment.

To help gain unsubsidized employment, participants are encouraged to register as job seekers with the appropriate state employment office, American Job Center/One-Stop or programs under the Workforce Innovation and Opportunity Act. In addition, participants should apply for unsubsidized employment at their host agencies.

F. Expected Activities of Project Staff

Each SSAI project sponsor must contact private and public employers directly or through the American Job Center system to identify and develop suitable unsubsidized employment opportunities for participants and must encourage host agencies to help participants transition to unsubsidized employment at the host agency or elsewhere. Additionally, project sponsors should locate training opportunities appropriate for each participant or develop such training. Referrals should be made to such training sources as other federally or state-funded programs, adult literacy programs and continuing education programs of community colleges.

In addition, prior to focusing a participant on job search, project staff need to assess the job search skills/knowledge of participants using the Assessment and Individual Employment Plan forms (see sections 301 A-E). For those participants not familiar with current job search techniques, project staff should work with participants to provide directly (or through partnerships with local agencies in the sponsor's community) training in job search skills, including but not limited to: creating/updating a resume, how to interview, how to apply for a job, completing on-line applications, preparing references, etc. **In addition, subgrantees must document participant's job search activity either in the IEP or case notes.**

G. Follow-up After Unsubsidized Placement Required

Once a participant exits the SCSEP program for unsubsidized employment, the project sponsor must carry out follow-up activities at least at three different times to ensure that the performance measures of entered employment, retention and average earnings are appropriately credited (for more information, see sections 101-D SSAI Performance Measures and 500-A Responsibility to Place Participants in Unsubsidized Employment). Sponsors must use the *SCSEP Unsubsidized Employment Form and SPARQ* to facilitate the record-keeping.

- Project sponsors should print out regularly the SPARQ Management Reports called, "Follow-ups: Pending" and "Follow-ups: Pending by Quarter. These reports track and list the participants who are ready for Follow-up #1, #2 or #3.
- *Follow-up #1* focuses on the entered employment rate and employer customer satisfaction. After a participant has officially entered employment, complete the first follow-up using the *SCSEP Unsubsidized Employment Form and entering the data into SPARQ.*
- *Follow-up #2* focuses on both retention and average earnings. This second follow-up should be completed using the *SCSEP Unsubsidized Employment Form* and entering the data into SPARQ.
- *Follow-up #3* focuses on retention of unsubsidized employment at one year after program exit. As with the previous two follow-ups, project sponsors need to use the *SCSEP Unsubsidized Employment Form* and then enter the data into SPARQ.

Sponsors are encouraged to contact placed participants throughout the first 16 months following placement to determine if they have the necessary supportive services to remain in the job and to provide or arrange to provide such services if feasible.

H. Documentation of Follow-up Required

Sponsors must document the sources used to verify information for the follow-ups. If such documents as in-state unemployment insurance, out-of-state unemployment insurance or other administrative records were used, sponsors must keep a copy of the documentation in each participant's file.

For questions 29d and 29f on the Unsubsidized Exit Form, you need to enter a dollar amount (number with 2 decimal places such as \$1.00) from the pay period claimed. If it is multiple pay periods, then you need to provide a total earnings dollar amount from the period (number with 2 decimal places, such as \$1000.00). To accurately document a participant's earnings in the 2nd and 3rd quarters after exit, you can get a written statement of earnings or copies of pay stubs from the employer or copies of pay stubs from the participant. If you document in a case note specific earnings data you receive from a participant, do enter this dollar amount into SPARQ (do not leave blanks) so your earnings performance credit is received. However, please note that per DOL, case notes from participants for earnings information will not pass data validation.

If the participant provides earnings information verbally through a phone call or other conversation, sponsors need to document the conversation creating a detailed case note. The required format for a detailed case management note is the following:

Example:

Month/day/year

I spoke with Suzie Que who is the manager at Giant Grocery Store. Giant Grocery Store employs John Doe. Ms. Que confirmed that John Doe is still employed by Giant. Mr. Doe works 25 hours per week for \$7.25 per hour. Per Ms. Que, Mr. Doe has worked at Giant from July 20 – present (January), confirmed Mr. Doe was employed at Giant from July – September and October – December (both quarters 2 and 3 after exit). Ms. Que confirmed that Mr. Doe earned \$1,812.50 from July – September and \$2,356.25 from October – December.

The name and title of the person who obtained the information, and the date the note was recorded in the form, must also be included.

I. Right of Return

The right of return is restricted to participants who exit SCSEP for unsubsidized employment. If the participant fails the placement, meaning he or she does not stay employed for 30 days within the first 90 days after exiting, the participant may return to the program within 90 days of exiting. (For more specific rules governing right of return, see section 202-C Right of Return.)