

FY 2019

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Community Service Employment for Older Americans

This page is intentionally left blank.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

TABLE OF CONTENTS

Appropriation Language	1
Analysis of Appropriation Language	2
Amounts Available for Obligation.....	3
Summary of Changes	4
Summary Budget Authority and FTE by Activity	5
Budget Authority by Object Class	6
Appropriation History	7
Budget Activities	9
Community Service Employment for Older Americans.....	9

This page is intentionally left blank.

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER
AMERICANS**

APPROPRIATION LANGUAGE

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER
AMERICANS**

ANALYSIS OF APPROPRIATION LANGUAGE

Language Provision	Explanation
<i>N/A</i>	<i>The Administration is not requesting funding for this program in FY 2019.</i>

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2017 Enacted		FY 2018 Full Year C.R.		FY 2019 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$400,000	0	\$397,284	0	\$0
Transfer Pursuant to P.L. 113-235	0	\$0	0	\$0	0	\$0
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$400,000</i>	<i>0</i>	<i>\$397,284</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	0	\$400,000	0	\$397,284	0	\$0
Transfer Pursuant to P.L. 113-235	0	\$0	0	\$0	0	\$0
Offsetting Collections:						
<i>Subtotal Transfers</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
C. Budget Authority	0	\$400,000	0	\$397,284	0	\$0
Before Committee	0	\$400,000	0	\$397,284	0	\$0
Transfer Pursuant to P.L. 113-235	0	-\$1,000	0	\$0	0	\$0
<i>Subtotal Transfers</i>	<i>0</i>	<i>-\$1,000</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
D. Total Budgetary Resources	0	\$399,000	0	\$397,284	0	\$0
Unobligated Balance End-of-Year	0	\$4,618	0	\$0	0	\$0
E. Total, Estimated Obligations	0	\$394,382	0	\$397,284	0	\$0

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2018 Full Year C.R.	FY 2019 Request	Net Change
Budget Authority			
General Funds	\$397,284	\$0	-\$397,284
Total	\$397,284	\$0	-\$397,284

Full Time Equivalents			
General Funds	0	0	0
Total	0	0	0

FY 2019 Change

Explanation of Change	FY 2018 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	0	\$0	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$397,284	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	0	+\$397,284	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	0	+\$397,284	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:								
To provide for elimination of funding for Community Service Employment for Older Americans	0	\$0	0	\$0	0	-\$397,284	0	-\$397,284
Programs Subtotal			0	\$0	0	-\$397,284	0	-\$397,284
Total Decrease	0	\$0	0	\$0	0	-\$397,284	0	-\$397,284
Total Change	0	+\$397,284	0	\$0	0	-\$397,284	0	-\$397,284

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER
AMERICANS**

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2017 Enacted		FY 2018 Full Year C.R.		FY 2019 Request		Diff. FY19 Request / FY18 Full Year C.R	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Community Service Employment for Older Americans	0	400,000	0	397,284	0	0	0	-397,284
General Funds	0	400,000	0	397,284	0	0	0	-397,284
Total	0	400,000	0	397,284	0	0	0	-397,284
General Funds	0	400,000	0	397,284	0	0	0	-397,284

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER
AMERICANS**

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2017 Enacted	FY 2018 Full Year C.R.	FY 2019 Request	Diff. FY19 Request / FY18 Full Year C.R.
	Full-Time Equivalent				
	Total	0	0	0	0
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
41.0	Grants, subsidies, and contributions	400,000	397,284	0	-397,284
	Total	400,000	397,284	0	-397,284

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

APPROPRIATION HISTORY (Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2009					
Base Appropriation...1/2/	\$350,000	\$530,900	\$483,611	\$571,925	0
2010					
Base Appropriation	\$575,425		\$571,925	\$825,425	0
2011					
Base Appropriation	\$600,425	\$615,425	\$575,425	\$449,100	0
2012					
Base Appropriation...3/4/				\$448,251	0
2013					
Base Appropriation...4/				\$424,805	0
2014					
Base Appropriation...4/				\$434,371	0
2015					
Base Appropriation...4/				\$434,371	0
2016					
Base Appropriation	\$434,371	\$434,371	\$400,000	\$434,371	0
2017					
Base Appropriation	\$434,371		\$400,000	\$400,000	0
2018					
Base Appropriation...5/	\$0	\$0			0
2019					
Base Appropriation	\$0				0

1/ \$120,000,000 in Recovery Act funds were provided pursuant to P.L. 111-5.

2/ Reflects a 0.2% across-the-board rescission pursuant to P.L. 112-10.

3/ Reflects a 0.189% across-the-board rescission pursuant to P.L. 112-74.

4/ The Budgets for 2012-2015 proposed to transfer the program to the Department of Health and Human Services.

5/ A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2017 Enacted	FY 2018 Full Year C.R.	FY 2019 Request	Diff. FY19 Request / FY18 Full Year C.R.
Activity Appropriation	400,000	397,284	0	-397,284
FTE	0	0	0	0

Introduction

The Community Service Employment for Older Americans (CSEOA) program, also known as the Senior Community Service Employment Program (SCSEP), supports the self-sufficiency and 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, as authorized by Title V of the Older Americans Act (OAA), has a dual purpose: “To foster individual economic self-sufficiency and promote useful opportunities in community service activities (which shall include community service employment) for unemployed low-income persons who are age 55 or older, particularly persons who have poor employment prospects, and to increase the number of persons who may enjoy the benefits of unsubsidized employment in both the public and private sectors, the Secretary of Labor (referred to in this subchapter as the “Secretary”) may establish an older American community service employment program.” The OAA was amended by the Older Americans Act Reauthorization Act of 2016 (2016 OAA).

In FY 2017, SCSEP grantees included 56 units of state and territorial government and 19 competitively-selected national grantees. SCSEP-funded services are available in nearly all 3,000 U.S. counties and territories.

The 2019 Budget proposes the elimination of SCSEP.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2014	\$434,371	0
2015	\$434,371	0
2016	\$434,371	0
2017	\$400,000	0
2018	\$0	0

NOTE: A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Funding Mechanism

The SCSEP program operates on a Program Year (PY) calendar (April 1 through June 30) and SCSEP funds are distributed by a statutorily prescribed formula. 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 have low income and are 55 and older. Under current law, 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: 1) up to 1.5 percent of the total authorization as determined by the Secretary of Labor for pilots, demonstration, and evaluation projects; 2) 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 3) 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 all state governors, Puerto Rico, the District of Columbia, and four territories as well as national non-profit agencies. Approximately 22 percent of formula funds are awarded to the governors, with 78 percent competitively-awarded to national non-profit agencies for services across the country. Under the OAA, these grants are renewed annually for four years, with an optional one-year extension.

FY 2019

The 2019 Budget requests no funds for this program. SCSEP has a goal of transitioning half of participants into unsubsidized employment within the first quarter after exiting the program, but has struggled to achieve even this modest goal. Further, these placement rates exclude the nearly one half of program participants who do not complete the program and are excluded from the measure. The goal of supporting the self-sufficiency and employment of older workers will continue to be addressed through the Workforce Innovation and Opportunity Act (WIOA) programs.

FY 2018

A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

FY 2017

In FY 2017 (PY 2017), \$400,000,000 was appropriated for the period April 1, 2017 through June 30, 2018.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

In PY 2017, the Department published regulations implementing revised performance indicators for SCSEP to align with the Workforce Innovation and Opportunity Act (WIOA). SCSEP remains a mandatory partner in the American Job Center network under WIOA, and as described in the WIOA statute, regulations, and guidance, SCSEP grantees must carry out the responsibilities of one-stop partner programs, such as coordinating and aligning programs to better serve jobseeker and business customers.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

WORKLOAD AND PERFORMANCE SUMMARY							
		PY 2016 Enacted		PY 2017 Enacted		PY 2018 Full Year C.R.	PY 2019 Request
		Target	Result	Target	Result	Target	Target
Community Service Employment for Older Americans							
ETA- WIOA SCSEP- 01	Employment Rate – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	[base]	TBD	45.1%	TBD	TBD	--
ETA- WIOA SCSEP- 02	Employment Rate – 4th Quarter After Exit (WIOA Senior Community Service Employment Program)	[base]	TBD	75.5%	TBD	TBD	--
ETA- WIOA SCSEP- 03	Median Earning – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	[base]	TBD	\$7,903	TBD	TBD	--

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

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Workload and Performance Narrative

The OAA Reauthorization Act of 2016 more closely aligned SCSEP performance indicators to those of WIOA. The Secretary of Labor was required to implement the SCSEP core performance measures by December 31, 2017, and the Department did so through the publication of an Interim Final Rule on December 1, 2017. SCSEP grantees will prepare to report on these measures beginning Program Year 2018. The changes made to SCSEP performance indicators included a revised definition of a program participant that may result in differences in participation counts and associated costs within quarterly reporting. Nevertheless, it is prudent SCSEP report these indicators with a caveat of the definitional change.

The Department is highlighting the three indicators related to employment and earnings for the purposes of tracking program progress and showing the Department's return on investment. The results of these measures will demonstrate the value of these investments to help address the employment and skill needs of workers, jobseekers, and employers.

The Department began implementing the new measures December 31, 2017, and is collecting baseline data for these new indicators. The data on these new indicators will be collected in PY 2018 and those results will become the baseline to establish targets for future years, if funds are appropriated.

In FY 2017, the cost per participant was \$7,339. This is lower than the cost per position, which is determined by a formula in the SCSEP legislation based on the national average unit cost; including all costs of administration, other participant costs, and participant wage and benefit costs as defined in Section 506(g) of the OAA. It is lower due to the turnover rate. Participant data are derived by using quarterly report estimates.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

CHANGES IN FY 2019 (Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
--------------------------	-----

Grants, subsidies, and contributions	0
--------------------------------------	---

Built-Ins Subtotal	\$0
---------------------------	------------

Net Program	-\$397,284
--------------------	-------------------

Direct FTE	0
------------	---

	Estimate	FTE
Base	\$397,284	0
Program Increase	\$0	0
Program Decrease	-\$397,284	0