

**FY 2018**

**CONGRESSIONAL BUDGET JUSTIFICATION**

**EMPLOYMENT AND TRAINING ADMINISTRATION**

**Community Service Employment for Older Americans**

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# COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

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**COMMUNITY SERVICE EMPLOYMENT FOR OLDER  
AMERICANS**

**APPROPRIATION LANGUAGE**

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER  
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**ANALYSIS OF APPROPRIATION LANGUAGE**

<b>Language Provision</b>	<b>Explanation</b>
<i>N/A</i>	<i>Administration is not requesting funding for this program in FY 2018.</i>

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>AMOUNTS AVAILABLE FOR OBLIGATION</b>						
(Dollars in Thousands)						
	FY 2016 Enacted		FY 2017 Full Year C.R.		FY 2018 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
<b>A. Appropriation</b>	<b>0</b>	<b>\$434,371</b>	<b>0</b>	<b>\$433,545</b>	<b>0</b>	<b>\$0</b>
Transfer Pursuant to P.L. 113-235	0	\$0	0	\$0	0	\$0
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$434,371</i>	<i>0</i>	<i>\$433,545</i>	<i>0</i>	<i>\$0</i>
<b>B. Gross Budget Authority</b>	<b>0</b>	<b>\$434,371</b>	<b>0</b>	<b>\$433,545</b>	<b>0</b>	<b>\$0</b>
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>
<b>C. Budget Authority</b>	<b>0</b>	<b>\$434,371</b>	<b>0</b>	<b>\$433,545</b>	<b>0</b>	<b>\$0</b>
Before Committee	0	\$434,371	0	\$433,545	0	\$0
Transfer Pursuant to P.L. 113-235	0	\$0	0	\$0	0	\$0
<i>Subtotal Transfers</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
<b>D. Total Budgetary Resources</b>	<b>0</b>	<b>\$434,371</b>	<b>0</b>	<b>\$433,545</b>	<b>0</b>	<b>\$0</b>
Unobligated Balance End-of-Year	0	\$0	0	\$0	0	\$0
<b>E. Total, Estimated Obligations</b>	<b>0</b>	<b>\$434,371</b>	<b>0</b>	<b>\$433,545</b>	<b>0</b>	<b>\$0</b>

# COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

## SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2017 Full Year C.R.	FY 2018 Request	Net Change
<b>Budget Authority</b>			
General Funds	\$433,545	\$0	-\$433,545
<b>Total</b>	<b>\$433,545</b>	<b>\$0</b>	<b>-\$433,545</b>
<b>Full Time Equivalents</b>			
General Funds	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

Explanation of Change	FY 2018 Change							
	FY 2017 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Increases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
Costs of pay adjustments	0	\$0	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$433,545	0	\$0	0	\$0	0	\$0
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>+\$433,545</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>B. Programs:</b>								
<b>Programs Subtotal</b>			<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>Total Increase</b>	<b>0</b>	<b>+\$433,545</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>Decreases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>B. Programs:</b>								
To provide for elimination of the Community Service Employment for Older Americans program								
	0	\$0	0	\$0	0	-\$433,545	0	-\$433,545
<b>Programs Subtotal</b>			<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$433,545</b>	<b>0</b>	<b>-\$433,545</b>
<b>Total Decrease</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$433,545</b>	<b>0</b>	<b>-\$433,545</b>
<b>Total Change</b>	<b>0</b>	<b>+\$433,545</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$433,545</b>	<b>0</b>	<b>-\$433,545</b>



**COMMUNITY SERVICE EMPLOYMENT FOR OLDER  
AMERICANS**

<b>SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY</b>								
(Dollars in Thousands)								
	<b>FY 2016 Enacted</b>		<b>FY 2017 Full Year C.R.</b>		<b>FY 2018 Request</b>		<b>Diff. FY18 Request / FY17 Full Year C.R.</b>	
	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>
<b>Community Service Employment for Older Americans</b>	<b>0</b>	<b>434,371</b>	<b>0</b>	<b>433,545</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-433,545</b>
General Funds	0	434,371	0	433,545	0	0	0	-433,545
<b>Total</b>	<b>0</b>	<b>434,371</b>	<b>0</b>	<b>433,545</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-433,545</b>
<b>General Funds</b>	<b>0</b>	<b>434,371</b>	<b>0</b>	<b>433,545</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-433,545</b>

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER  
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<b>BUDGET AUTHORITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
	Full-Time Equivalent				
	<b>Total</b>	0	0	0	0
11.1	Full-time permanent	0	0	0	0
11.9	<b>Total personnel compensation</b>	0	0	0	0
41.0	Grants, subsidies, and contributions	434,371	433,545	0	-433,545
	<b>Total</b>	<b>434,371</b>	<b>433,545</b>	<b>0</b>	<b>-433,545</b>

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>APPROPRIATION HISTORY</b> (Dollars in Thousands)					
	<b>Budget Estimates to Congress</b>	<b>House Allowance</b>	<b>Senate Allowance</b>	<b>Appropriations</b>	<b>FTE</b>
2008					
Base Appropriation...1/	\$350,000	\$388,311	\$388,311	\$521,625	0
2009					
Base Appropriation...2/3/	\$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...4/5/				\$448,251	0
2013					
Base Appropriation...5/				\$424,805	0
2014					
Base Appropriation...5/				\$434,371	0
2015					
Base Appropriation...5/				\$434,371	0
2016					
Base Appropriation	\$434,371	\$434,371	\$400,000	\$434,371	0
2017					
Base Appropriation	\$434,371		\$400,000		0
2018					

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

2/ \$120,000,000 in Recovery Act funds were provided pursuant to P.L. 111-5.

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

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

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



## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
<b>Activity Appropriation</b>	434,371	433,545	0	-433,545
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 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.” The OAA was amended by the Older Americans Act Reauthorization Act of 2016 (2016 OAA).

SCSEP grantees currently include 56 units of state and territorial government and 23 competitively-selected national grantees. SCSEP-funded services are available in nearly all 3,000 U.S. counties and territories.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2013	\$424,805	0
2014	\$434,371	0
2015	\$434,371	0
2016	\$434,371	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

### **Funding Mechanism**

The SCSEP program operates on a Program Year (PY) calendar 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

## **COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS**

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 2018**

For the 2018 Budget, the Department requests no funds for this program. While the program provides some income support to about 68,000 individuals each year, it fails to meet its other major statutory goals of fostering economic self-sufficiency and moving low-income seniors into unsubsidized employment. The goal of supporting the self-sufficiency and employment of older workers will be addressed through Workforce Innovation and Opportunity Act (WIOA) programs, and the Administration's proposal that States and localities support such functions based on their specific training needs.

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Community Service Employment for Older Americans</b>							
ETA- WIOA SCSEP- 01	Employment Rate – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	--	--	[base]	--	[base]	--
ETA- WIOA SCSEP- 02	Employment Rate – 4th Quarter After Exit (WIOA Senior Community Service Employment Program)	--	--	[base]	--	[base]	--
ETA- WIOA SCSEP- 03	Median Earning – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	--	--	[base]	--	[base]	--
	Number of Participants Served (Senior Community Service Employment Program)	67,185[p]	65,170	67,185[p]	--	67,185[p]	--
	Cost per Participant	\$6,465[p]	\$6,701.81	\$6,465[p]	--	\$6,465[p]	--
	Authorized Positions/Slots (Senior Community Service Employment Program)	44,790[p]	44,790	44,790[p]	--	44,790[p]	--
	Turnover Rate (Senior Community Service Employment Program)	1.5[p]	1.4	1.5[p]	--	1.5[p]	--

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
ETA-WIA-SCSEP-01	Entered Employment Rate (WIA Senior Community Service Employment Program)	44.4% [r]	50.7%	--	--	--	--
ETA-WIA-SCSEP-02	Employment Retention Rate (WIA Senior Community Service Employment Program)	73.5% [r]	73.6%	--	--	--	--
ETA-WIA-SCSEP-03	Six Months Average Earnings (WIA Senior Community Service Employment Program)	\$7,709[r]	\$7,873	--	--	--	--

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 2016 OAA aligned the SCSEP performance indicators with the WIOA indicators of performance, and requires the Secretary of Labor to implement the SCSEP core measures of performance by December 31, 2017, and prohibits funding grants until the Department and the grantee have agreed upon expected levels of performance.

SCSEP grants currently use six measures to track performance outcomes and determine if the program is meeting the proposed targets: Entered Employment Rate, 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 into unsubsidized employment. The number of authorized positions, turnover rate, participants served and cost per participant are all directly related to the 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 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 OAA. The cost per participant (shown in the above chart) is lower than the cost per position due to the turnover rate. Participant data are derived by using quarterly report estimates.

# COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

## CHANGES IN FY 2018 (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 -\$433,545**

**Direct FTE 0**

	Estimate	FTE
<b>Base</b>	<b>\$433,545</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>-\$433,545</b>	<b>0</b>