
Temporary Assistance for Needy Families Information Memorandum

U.S. Department of Health and Human Services
Administration for Children and Families
Office of Family Assistance
Washington, DC 20447

Memorandum No. TANF-ACF-IM-2012-01

Date: March 22, 2012

TO: States, Tribes, and Territories Administering the Temporary Assistance for Needy Families (TANF) Program.

SUBJECT: Use of TANF funds to support summer jobs for youth.

REFERENCE: Sections 401, 403(a)(1), and 403(a)(3) of the Social Security Act, 45 CFR 260.31(b).

PURPOSE: Inform TANF jurisdictions of the opportunities to support the creation or expansion of summer youth employment programs with TANF funds.

BACKGROUND:

Subsidized employment can provide valuable skills and work experience for young people, and serves as a stepping stone on the path to unsubsidized employment. By allocating TANF resources to summer youth employment programs, TANF jurisdictions have the potential to bring additional subsidized job opportunities to low-income youth across the nation.

INFORMATION:

As we look forward to next summer, the Administration for Children and Families (ACF) reminds TANF jurisdictions of the opportunity to use Federal TANF and State maintenance-of-effort (MOE) funds for the creation and expansion of subsidized summer employment programs for low-income youth. We encourage State and local TANF agencies to work with State and local Workforce Investment Boards to explore ways to combine resources in developing or expanding subsidized employment programs. Where appropriate, programs may co-enroll youth in the TANF and applicable Workforce Investment Act (WIA) programs so that participants in TANF-funded subsidized employment opportunities can benefit from additional WIA services such as supportive services, occupational skills training, and other relevant services.

When developing summer youth programs under TANF, jurisdictions may choose to target the program narrowly to youth in families already receiving TANF cash assistance, or expand eligibility to a more broadly defined group of "TANF-eligible" families; for example, a TANF agency may choose to serve youth that are members of a family who meet an income eligibility criterion that is higher than the one established for TANF cash assistance. Furthermore, the wages paid under these summer youth employment programs are not considered TANF cash assistance, and States may choose to disregard the earnings of summer jobs participants in determining a family's eligibility for or amount of assistance. Moreover, if the summer jobs participant is not a

Work Eligible Individual, his or her hours of participation do not affect the State's work participation calculation; if the participant is a Work Eligible individual, hours of participation can help the State meet work participation rate requirements.

In addition to subsidizing wages (paid to an employer or third-party), jurisdictions may use TANF funds for this program on other related activities such as:

- Education and training
- Supportive services
- Transportation for employed persons for the purpose of attending work or training
- Counseling and employment related services
- Incentive payments that reward the participant for achieving a pre-determined milestone (e.g., a one-month job retention bonus).

In some communities, summer jobs programs may place a strong emphasis on encouraging private sector jobs to make available work opportunities for youth in need of employment, with a local program covering costs other than the costs of wages --- for example, providing assistance in identifying eligible youth, providing job readiness services, providing support services and incentives, and assisting employers in addressing workplace issues through case management or other supports. In such a model, TANF and MOE funds can be used to address public costs for such a program, insofar as the program furthers the purposes of TANF for needy youth.

When considering ways to allocate TANF and/or MOE funds for summer youth employment programs, we would like to remind TANF agencies that a jurisdiction may use TANF and/or MOE funds to serve youth up through the age of 24 in a subsidized employment program under TANF statutory purpose one. While a jurisdiction may use Federal TANF funds on subsidized employment for youth whether or not they are residing in the home of their parent or caretaker relative, MOE expenditures under this purpose one activity are limited to expenditures for youth who are residing in the home of a parent or caretaker relative; otherwise the youth must themselves be a parent or pregnant woman. This is because except for expenditures authorized under the Healthy Marriage and Responsible Fatherhood provisions of the TANF statute, the TANF regulations limit the use of MOE funds to members of eligible families, which the regulations at 45 CFR 263.2(b)(2) specify must include "a child living with a custodial parent or other adult caretaker relative." (A jurisdiction may interpret "custodial parent" to include a parent who had previously been the custodial parent, in the case of a child who is no longer a minor child). Please note that if a State commingles Federal and MOE funds, the more restrictive rules would apply, i.e., in this situation, the requirement to expend the funds for eligible families would apply to the commingled funds.

Efforts to develop summer youth employment programs will serve to support *Summer Jobs+*, a new Administration-led initiative to encourage and support businesses, non-profits, and government to work together to provide pathways to employment for low-income and disconnected youth in the summer of 2012. Subsidized employment will provide youth on-the-job skills in a learning environment while earning wages for their work. TANF agencies and partner organizations can also collaborate with schools and higher education institutions to give youth the opportunity both to strengthen their academic skills while working, as well as to connect learning to the context of work.

ACF also encourages State and local TANF agencies to make information available to disconnected and low-income youth about *Summer Jobs+* opportunities. In the coming weeks, the Federal government will release the *Summer Jobs+ Bank*, a one-stop search tool for youth to access postings for any participating employers seeking to reach youth online. The search tool builds upon an open standard, the *JobPosting* schema endorsed by schema.org in November 2011 in support of the *Veterans Jobs Bank*, and will include technical and promotional support by Google, Internships.com, AfterCollege, LinkedIn and Facebook. ACF encourages State and local TANF agencies to use their various communication tools and relationships to inform the youth who are most in need of the *Summer Jobs+ Bank* website.

More information on the Pathways Pledge and the *Summer Jobs+* challenge can be obtained on the following websites:

<http://www.whitehouse.gov/the-press-office/2012/01/05/we-cant-wait-white-house-announces-federal-and-private-sector-commitment>

<http://www.dol.gov/summerjobs/>

Jurisdictions can refer to the following resources for more information about the targeting and structure of subsidized employment programs:

Using TANF Funds to Support Subsidized Youth Employment: The 2010 Summer Youth Employment Initiative, by Linda Rosenberg, Megan Hague Angus, Cassandra Pickens, and Michelle Derr, Mathematica Policy Research, available at: http://wdr.doleta.gov/research/keyword.cfm?fuseaction=dsp_resultDetails&pub_id=2481&mp=y

Subsidizing Employment Opportunities for Low-Income Families: A Review of State Employment Programs Created Through the TANF Emergency Fund, by Mary Farrell, Sam Elkin, Joseph Broadus, and Dan Bloom, MDRC, December 2011, available at: http://www.acf.hhs.gov/programs/opre/welfare_employ/stedep/reports/tanf_emer_fund.pdf

Creating Subsidized Employment Opportunities for Low-Income Parents: The Legacy of the TANF Emergency Fund, by Pavetti, LaDonna, Liz Schott, and Elizabeth Lower-Basch, CBPP and CLASP, February 2011, available at: <http://www.cbpp.org/files/2-16-11tanf.pdf>

Innovating Under Pressure: The Story of the 2009 Recovery Act Summer Youth Employment Initiative: Chicago, Detroit, Indianapolis & Marion County, Phoenix and Maricopa County, by Susan Curnan and Andrew Hahn, Heller School for Social Policy and Management, Brandeis University, June 2010, available at: http://wdr.doleta.gov/research/FullText_Documents/Innovating%20Under%20Pressure%20The%20Story%20of%20the%202009%20Recovery%20Act%20Summer%20Youth%20Employment%20Initiative.pdf

Financing and Sustaining Summer Youth Employment Programs, by The Finance Project, June 2010, available at: <http://www.financeproject.org/publications/PPP-SYEP.pdf>

Reinvesting in America's Youth: Lessons from the 2009 Recovery Act Summer Youth Employment Initiative, by J. Bellotti, L. Rosenberg, S. Sattar, A. M. Esposito, and J. Ziegler, Mathematica Policy Research, February 2010, available at: http://www.mathematica-mpr.com/publications/PDFs/labor/youth_employment_program.pdf

In January, the White House Council for Community Solutions released *A Toolkit for Employers: Connecting Youth and Business*. This toolkit was created in collaboration with the Corporation for National and Community Service and employers to support businesses and communities in their efforts to help young people become productive citizens and connect to greater opportunities, both of which are critical for the long-term strength and competitiveness of the Nation. The toolkit is available at: http://www.serve.gov/new-images/council/pdf/youth_employment_toolkit.pdf

Additional resources from the White House Council for Community Solutions can be found at: http://www.serve.gov/council_resources.asp

INQUIRIES: Inquiries should be directed to the appropriate Regional TANF Program Manager.

/s/

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