

FY 2021

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

N/A

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 2021.</i>

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2019 Enacted		FY 2020 Enacted		FY 2021 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$400,000	0	\$405,000	0	\$0
Transfer Pursuant to P.L. 115-245	0	-\$1,162	0	\$0	0	\$0
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$398,838</i>	<i>0</i>	<i>\$405,000</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	0	\$398,838	0	\$405,000	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	\$398,838	0	\$405,000	0	\$0
Offsetting Collections From:						
Prior Year Balance	0	\$3,412	0	\$3,204	0	\$0
<i>Subtotal</i>	<i>0</i>	<i>\$402,250</i>	<i>0</i>	<i>\$408,204</i>	<i>0</i>	<i>\$0</i>
D. Total Budgetary Resources	0	\$402,250	0	\$408,204	0	\$0
Unobligated Balance End-of-Year	0	-\$4,367	0	\$0	0	\$0
E. Total, Estimated Obligations	0	\$397,883	0	\$408,204	0	\$0

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2020 Enacted	FY 2021 Request	Net Change
Budget Authority			
General Funds	\$405,000	\$0	-\$405,000
Total	\$405,000	\$0	-\$405,000
Full Time Equivalents			
General Funds	0	0	0
Total	0	0	0

Explanation of Change	FY 2021 Change							
	FY 2020 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	\$405,000	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	0	+\$405,000	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	0	+\$405,000	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 the Community Service for Older Americans Program	0	\$405,000	0	\$0	0	-\$405,000	0	-\$405,000
Programs Subtotal	0	\$0	0	\$0	0	-\$405,000	0	-\$405,000
Total Decrease	0	\$0	0	\$0	0	-\$405,000	0	-\$405,000
Total Change	0	+\$405,000	0	\$0	0	-\$405,000	0	-\$405,000

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2019 Enacted		FY 2020 Enacted		FY 2021 Request		Diff. FY21 Request / FY20 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Community Service Employment for Older Americans	0	400,000	0	405,000	0	0	0	-405,000
General Funds	0	400,000	0	405,000	0	0	0	-405,000
Total	0	400,000	0	405,000	0	0	0	-405,000
General Funds	0	400,000	0	405,000	0	0	0	-405,000

NOTE: 2019 reflects actual FTE.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
	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	405,000	0	-405,000
	Total	400,000	405,000	0	-405,000

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2011					
Base Appropriation	\$600,425	\$615,425	\$575,425	\$449,100	0
2012					
Base Appropriation...1/2/				\$448,251	0
2013					
Base Appropriation...2/				\$424,805	0
2014					
Base Appropriation...2/				\$434,371	0
2015					
Base Appropriation...2/				\$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				\$400,000	0
2019					
Base Appropriation...3/				\$400,000	0
2020					
Base Appropriation...4/ 5/	\$0	\$463,800		\$405,000	0
2021					
Base Appropriation...5/					

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

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

3/ This bill was passed by the Senate. It was passed out of the House Subcommittee but was not reported out of the House Committee or by the full House.

4/ This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or full Appropriations Committee.

5/ FTE for FY 2020 and FY 2021 reflect the Shared Services Realignment.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
Activity Appropriation	400,000	405,000	0	-405,000
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 or 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).

In FY 2019, 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 FY 2021 Budget proposes to eliminate SCSEP.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Resource and Program Data Community Service Employment for Older Americans

Data Category	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Enacted	FY 2021 President's Budget
<u>Resource Data:</u>				
Service Grant	397,950,000	397,950,000	402,950,000	0
Formula	88,554,200	88,554,200	93,554,200	0
Competitive	309,395,800	309,395,800	309,395,800	0
Research Evaluation	500,000	500,000	500,000	0
Demonstration Development				0
Training/Technical Assistance	828,285	828,285	828,285	0
Program Support	721,715	721,715	721,715	0
Total Resources	400,000,000	400,000,000	405,000,000	0
<u>Program Data:</u>				
Total Grants	75	75	75	0
New Starts				0
#	75	75	75	0
\$	397,950,000	397,950,000	402,950,000	
Continuing				
#	0	0	0	0
\$	0	0	0	0
Contracts				
#	6	6	6	0
\$	1,550,000	1,550,000	1,550,000	0
Interagency Agreements				
#	0	0	0	0
\$	0	0	0	0

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2016	\$434,371	0
2017	\$400,000	0
2018	\$400,000	0
2019	\$400,000	0
2020	\$405,000	0

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Funding Mechanism

The SCSEP program operates on a Program Year (PY) basis (July 1 to 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, demonstrations, 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 reserved 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 2021

The FY 2021 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 be addressed through Workforce Innovation and Opportunity Act (WIOA) programs.

FY 2020

In FY 2020, \$405,000,000 was appropriated for Program Year (PY) 2020, which covers the period of April 1, 2020, through June 30, 2021. Seventy-five grantees are providing low-income seniors with subsidized work experience in community service employment assignments. The Department anticipates that SCSEP will serve approximately 56,050 participants in PY 2020. SCSEP remains a mandatory partner with American Job Centers and, pursuant to WIOA, SCSEP grantees must carry out the responsibilities of one-stop partner programs, such as coordinating and aligning programs to better serve job seekers and businesses.

FY 2019

In FY 2019, \$400,000,000 was appropriated for PY 2019, which covers the period of April 1, 2019, through June 30, 2020. Seventy-five grantees are providing low-income seniors with

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

subsidized work experience in community service employment assignments. The Department anticipates that SCSEP will serve approximately 55,353 participants in PY 2019. SCSEP remains a mandatory partner with American Job Centers and, pursuant to WIOA, SCSEP grantees must carry out the responsibilities of one-stop partner programs, such as coordinating and aligning programs to better serve job seekers and businesses.

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WORKLOAD AND PERFORMANCE SUMMARY							
		PY 2018 Enacted		PY 2019 Enacted		PY 2020 Enacted	PY 2021 Request
		Target	Result	Target	Result	Target	Target
Community Service Employment for Older Americans							
Strategic Goal 1 - Support the Ability of All Americans to Find Good Jobs							
Strategic Objective ETA 1.1 - Create customer-focused workforce solutions for American workers.							
ETA-WIOA SCSEP-01	Employment Rate – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	[base]	41.2%	[base]	--	42.0%[e]	--
ETA-WIOA SCSEP-02	Employment Rate – 4th Quarter After Exit (WIOA Senior Community Service Employment Program)	[base]	33.1%	[base]	--	TBD	--
ETA-WIOA SCSEP-03	Median Earnings – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	[base]	\$3,084	[base]	--	\$3,369[e]	--

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

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Workload and Performance Narrative

The OAA Reauthorization Act of 2016 more closely aligned SCSEP performance indicators to those of WIOA. SCSEP grantees will report on these measures beginning in Program Year 2018. The changes made to SCSEP performance indicators included a revised definition of a program participant that may result in differences in participant counts and associated costs within quarterly reporting. Therefore, SCSEP will report on these indicators with a caveat of the definitional change.

The Department is highlighting three indicators related to employment and earnings for the purposes of tracking program progress and showing the Department's return on investment. The Department began implementing the new measures December 31, 2017, and collected baseline data for these new indicators in PY 2018. For Employment Rate in the 2nd Quarter after Exit, the grantees achieved 41.2% nationwide. The PY 2018 performance measure for Employment Rate in the 4th Quarter after Exit saw grantees achieve 33.1%. Finally, the PY 2018 performance measure for Median Earnings in the 2nd Quarter after Exit, grantees achieved \$3,084.

In FY 2018, the cost per participant was \$7,267. 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 2021

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
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Grants, subsidies, and contributions	0
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Built-Ins Subtotal	\$0
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Net Program	-\$405,000
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Direct FTE	0
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	Estimate	FTE
Base	\$405,000	0
Program Increase	\$0	0
Program Decrease	-\$405,000	0