

How nonprofit arts organizations can hire subsidized employees Stimulate the economy, help people go to work and reduce payroll costs

Los Angeles County has a major initiative underway to place 10,000 individuals into subsidized work positions through the Transitional Subsidized Employment (TSE) program through the Temporary Assistance for Needy Families (TANF) Emergency Contingency Funds (ECF). The Los Angeles County Arts Commission is supporting this effort by sharing information with nonprofit arts organizations, which are eligible to become worksites for subsidized employees.

In February, President Obama signed the American Recovery and Reinvestment Act (ARRA) to stimulate the economy. The Los Angeles County Department of Public Social Services (DPSS) is utilizing these federal Stimulus dollars to expand subsidized employment opportunities for welfare-to-work participants. Subject to requirements established by the federal and state government, up to 80% of expanded subsidized employment costs can be covered by the County. The remaining 20% will be funded by participating employers; the employer's contribution may include their costs for supervising subsidized employees.

The Transitional Subsidized Employment (TSE) program is provided through a contract between the County of Los Angeles and the City of Hawthorne on behalf of the South Bay Workforce Investment Board (SBWIB.) SBWIB in turn sub-contracts with 30 participating One-Stop/WorkSource Centers in Los Angeles County who serve as case managers for the TSE participants. SBWIB is the employer of record, performing payroll functions and absorbing the Workers Compensation Liability. All participating organizations will be required to enter into an agreement with SBWIB. Nonprofit arts organizations work directly with the participating One-Stop/WorkSource Center serving their area to interview and select candidates as well as make any necessary arrangements, such as requesting additional employees.

The subsidized employee will work at the office of the participating nonprofit arts organization (for up to 40 hours per week) and be paid by SBWIB. As a an approved worksite, nonprofit organizations will gain pre-screened, skilled entry level workers for up to 12 months or until September 30, 2010, whichever comes first. Participants must be placed by March 2010. The current wage is \$10.00 an hour.

GET STARTED

How do I sign up my organization for this program? What are the required documents?

Go to www.employmentstimulus.org and click on the “**Contracts & Required Documents**” tab at the top of the page. The following must be submitted for a complete application:

1. Download and complete the Worksite Sub-contract

Sign and submit **3** original, signed copies of the contract and Exhibits 2, 3 & 4. The signature page is on page 12.

2. Review the Insurance Tip Sheet and submit appropriate documents

Provide proof of general liability insurance (required).

*Please note that the company name on the insurance policy must match the name of the organization listed on page 12 of the Worksite Sub-contract or your application will be considered incomplete. Also, \$1 million per occurrence and \$2 million aggregate general liability insurance is required.

Provide proof of Workers Compensation insurance.

Provide proof of Auto Insurance.

3. **Download and complete the Worksite Info sheet**
4. **Download and complete the in-kind claim form**
5. **Mail all of the above paperwork to SBWIB. SBWIB will call to finalize the contract.**

City of Hawthorne
c/o South Bay Workforce Investment Board
Job Training & Development Dept./G.A.I.N. Unit
11539 Hawthorne Blvd., 5th Floor
Hawthorne, CA 90250
Attn: GAIN UNIT

FAQ

What happens after I submit my completed application?

Once your organization is approved, the details of the location and duties will be posted to a job directory that is distributed by the City of Hawthorne - South Bay Workforce Investment Board (SBWIB) to participating One-Stop/WorkSource Centers. One-Stop/WorkSource Centers throughout the County are responsible for placing individuals. They will review the job list and match the skills of individuals seeking employment with the needed available job. On average it takes approximately three weeks to process a complete, approved application to become an eligible worksite.

How does the 20% subsidy work?

The employment subsidy covers 80% of the costs and the employer covers the remaining 20%. The 20% requirement can be:

1. Offset wholly or partially through the costs of supervision incurred when hiring a subsidized employee. Please note that the supervisor must be a paid employee. Refer to the in-kind claim form at <http://www.employmentstimulus.org/In-Kind-Claim-Form.xls>
2. Through a combination of the offset mentioned above plus the actual dollar amount that is not offset by the costs of supervision.

Note: Federal non-TANF funds cannot be used to cover the 20%.

How long does the subsidy last and how much is it?

The employment subsidy can last for up to 12 months or until September 30, 2010, whichever comes first. During that period, up to 80% of the total costs can be covered by the County.

What are the insurance requirements?

Organizations that participate in the subsidized employment program must meet the following insurance requirements:

- \$1 million per occurrence and \$2 million aggregate general liability insurance
- \$ 1 million workers compensation insurance; and
- Specifically identify the Los Angeles County Department of Public Social Services and South Bay Workforce Investment Board as additional insured entities fully covered by the organization's insurance policy.

Who is the employer?

The South Bay Workforce Investment Board (SBWIB) is the agency that performs as the employer of record and the participating One-Stop/WorkSource Centers are contracted by SBWIB to match the skills of individuals seeking employment with the appropriate job opportunity. The subsidized employee will work at your organization and be paid by SBWIB. Should you wish a change or desire additional employees, the One-Stop/WorkSource Centers serving your organization will work with you to make the necessary arrangements.

What reports and documents are required once my organization is participating in this program?

Reporting and documentation is required however, the requirements are not burdensome. Each month the organization completes a form that documents:

1. The salary and benefits costs of the staff supervising the subsidized employee; and
2. If applicable, the payroll costs incurred for the subsidized employee.

Who do I call for additional information?

For additional information or to schedule an appointment to enter into a work site agreement, SBWIB, Gain Unit at (310) 970-7796. Once a completed application is submitted and approved, the One-Stop/WorkSource Center will begin referring candidates to you.