

## Commonwealth of Massachusetts Executive Office of Health and Human Services Department of Transitional Assistance

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JUDYANN BIGBY, M.D. Secretary

> JULIA E. KEHOE Commissioner

Field Operations Memo 2008-4 **February 1, 2008** 

To:

From

**Transitional Assistance Office Staff** 

John Augeri, Assistant Commissioner for Field Operations

TAFDC – Community Service and the Fair Labor Standards Act (FLSA) Calculation and Massachusetts Minimum Wage Increase

## Background

To comply with the Fair Labor Standards Act (FLSA), the Department limits the number of hours a client may participate in community service. Under FLSA, community service hours are based on the total amount of TAFDC and Food Stamp benefits received divided by the Massachusetts minimum wage and then divided by 4.333. The result is the client's maximum weekly hour total that he or she may participate in community service.

If an applicant or client is interested in community service, he or she must be informed of the number of hours he or she may participate in community service. If the FLSA hours meet or exceed the applicant or client's work program requirement, he or she may perform community service to meet that work program requirement. If the FLSA hours are less than the work program requirement, he or she must meet the work program requirement by working for the **entire** hourly work program requirement, or participating in another ESP activity for the **entire** hourly work program requirement; or working or participating in another ESP activity in combination with community service to meet the work program requirement.

## Purpose of Memo

This memo informs TAO staff:

- that the Massachusetts minimum wage increased from \$7.50 to \$8.00 per hour on January 1, 2008;
- that MIS has recalculated the FLSA hourly amount for all active TAFDC clients engaged in community service; and
- about a special project to inform certain clients that their work requirement hours have changed due to the FLSA recalculation.

## Obsolete Memo

Field Operations Memo 2007-21: "TAFDC – Community Service and the Fair Labor Standards Act (FLSA) Calculation," is obsolete.

## FLSA Calculation

Prior to enrolling a client or applicant, who has used the 60-day work search period, in a community service site, the AU Manager must inform him or her about the FLSA hours.

To help AU Managers determine the FLSA hours for *applicants*, an FLSA Hours field is found on the "What If?" calculation tool in the BEACON Transitional Assistance Office Group menu. To obtain the FLSA hours, AU Managers should enter appropriate information on the first five tabs, click on the Calculation tab and then click on the "Calculation" button. (FLSA hours will be displayed, even if the applicant chooses not to participate in community service). Once a pending applicant is approved, the automated FLSA calculation will be performed.

AU Managers can find the FLSA hours for *clients*, on the WP Participation tab located on the Summary tab of the Eligibility Explorer window, the ESP Referral Disposition window and the ESP APs Requiring an Appointment for FLSA view.

The FLSA hours are recalculated by BEACON when there is a grant change request released in the Interview Wrap-up and/or when there is a change in the Massachusetts minimum wage. These clients will appear on the "Appointments to Schedule" – "ESP APs Requiring an Appointment for FLSA view."

## Community Service Choices

When clients appear on the "Appointments to Schedule – ESP APs Requiring an Appointment for FLSA" view, the AU Manager *must* inform the applicant or client either by phone or in writing that the FLSA hours have been recalculated and that:

- if the FLSA hours *meet or exceed* the hourly work program requirement, he or she may meet the work program requirement through community service; or
- if the FLSA hours *do not meet* the hourly work program requirement, he or she may choose to either:
  - 1. work for the **entire** hourly work program requirement; or
  - 2. participate in another ESP activity for the **entire** hourly work program requirement; or
  - 3. work or participate in another ESP activity in combination with community service to meet the work program requirement. If the applicant or client decides to participate in community service and an ESP activity, he or she may be participating more hours than required.
- the applicant or client must continue to meet the work program requirement unless there is good cause, otherwise a sanction may result.

See Attachment A for a suggested script to help explain the choices to the client.

If the applicant or client chooses to participate in an ESP activity in combination with community service and there is no community service slot available, or chooses to participate in community service in combination with an ESP activity and there is no ESP activity slot available, he or she must be given good cause for the hours he or she would participate in the activity that is not available, following established procedures.

## Community Service Choices (continued)

Once a decision has been reached:

- if the decision is to work, obtain appropriate verifications and update BEACON following established procedures;
- if the decision is to participate in another ESP activity, refer the applicant or client to another ESP activity that meets the work program requirement, allowing 10 days to return the Referral and Response form. Once accepted, enroll the applicant or client in the ESP activity, following established procedures;
- if the decision is to participate in another ESP activity in combination with community service, refer the applicant or client to another ESP activity that meets the work program requirement, allowing 10 days to return the Referral and Response form. Once accepted, enroll the applicant or client in the ESP activity, following established procedures;
- if the decision is to work in combination with community service, obtain appropriate verifications and update BEACON following established procedures; or
- annotate the applicant or client's decision in the BEACON Narratives tab.

**Remember:** If the applicant or client has used twelve months of education or training, that activity no longer meets the work program requirement and therefore must be met with another activity. The months used are displayed on the WP Participation tab of the Summary tab, the Monitor Participation window, and the Work Requirements window TAFDC tab.

## FLSA Calculation Displayed on BEACON

For all clients engaged in community service, BEACON recalculates the FLSA hourly amount if either a grant change or a change in the Massachusetts minimum wage occurs. The result will be displayed in three locations:

- on the WP Participation tab, found on the Summary tab (at the bottom of a list of Work Program Participation information);
- on the ESP Referral Disposition window Go to the Interview tab, click on ESP Services. Select the AP who is engaged in community service from the Member List window, then click on the Employment Development window, then ESP Referral Disposition window. The FLSA Hours field is located in the bottom right-hand corner of this window; and
- in the Appointments to Schedule view, the view entitled ESP APs Requiring an Appointment for FLSA. This view displays Work Program Required clients with an active or accepted Community Service activity whose newly calculated FLSA hours are less than the Work Program Requirement hours, and the Community Service participation hours exceed the FLSA calculated hours, and there is no other ESP activity record with an active or accepted status (including employment). The following fields are displayed:
  - > Required Hours (to meet the work program requirement);
  - > FLSA Hours;
  - ➤ Ed/Training Counter;
  - > Counter Notice Date; and
  - > JS/JR Counter.

The AU Manager must inform the client, either by phone or in writing and follow the instructions on the previous pages.

When the client chooses one of the options on page 3 and the AU Manager selects another activity and terminates community service, the client will be removed from the view.

Examples:
Calculating
Community
Service
Participation
Hours based on
FLSA

The FLSA requires that community service hours be limited to a certain number of hours per week. The limit of those hours is determined by taking the client's cash and food stamp benefits and dividing that number by the Massachusetts minimum wage (\$8.00). The resulting number is then divided by 4.333 to determine the allowable weekly total number of hours. (If the resulting fractional hour is .50 or more, round up to the nearest whole hour. If .49 or less, round down to the nearest whole hour.)

## Example 1: A client receives a cash grant of \$531 and food stamps of \$174. To determine the number of community service hours the client may participate under FLSA the cash grant and food stamps are totaled (\$531 + \$174 = \$705) and divided by \$8.00. That number is then divided by 4.333 (weeks). The client can participate in community service for no more than 20.34 hours per week (or 20 hours per week). A client with a 20-hour per week work program requirement can meet the requirement with community service. A client with a 24-hour per week or 30-hour per week work program requirement may:

- work for the **entire** hourly work program requirement;
- participate in another ESP activity for the **entire** hourly work program requirement; or
- work or participate in another ESP activity in combination with community service to meet the work program requirement.

# Example 2: An applicant has already used his or her 60-day work search period, was sanctioned and must do community service for two weeks to reopen his or her AU. The AU Manager uses the "What If?" calculation on BEACON to determine that the applicant's grant would be \$731, food stamps would be \$311 and views the FLSA calculation of 30 hours. Because the FLSA calculation is 30 hours, the applicant may meet the work program requirement by community service. Applicant amounts in this example are estimated using "What if?" and may change before benefits are approved. This also applies to an applicant who has used his or her 60-day work search period, but was not sanctioned.

## BEACON Notices

All TAFDC benefit change notices and combination TAFDC/PA FS benefit change notices include the following language in both English and Spanish:

"If you are currently meeting your Work Program requirement by participating in Community Service, the number of hours you can participate may have changed. Your worker will contact you if the number of hours has changed."

## Special Project

A report entitled *Community Service – FLSA Hours Report – January 2008* (run the week of January 2, 2008), listing the clients whose new FLSA hourly amount is less than the client's community service hours on file, will be emailed with this memo. The information on the report may not be up to date if the information has changed after the week of January 2, 2008.

The AU Manager must inform the client, either by phone or in writing, that the new FLSA hourly amount is less than the client's community service hours on file, and must decide which activities he or she must now perform to meet the work program requirement.

See pages 3 and 4 of this memo for the procedures required to complete this special project.

## TAOs with No Clients on Report

The following TAOs have no clients listed on the report:

- Centralized TAFDC;
- Greenfield;
- Hyannis;
- Milford; and
- Plymouth.

### Questions

If you have any questions, please have your hotline designee call the Policy Hotline at 617-348-8478.

## Attachment A

## FLSA Community Service Calculation Suggested Script

Because of the Fair Labor Standards Act, the number of hours you can participate in community service has changed.
You can participate for hours in community service.
Your work program requirement is hours. Because of this change, your participation in community service <b>alone or in combination with another activity</b> no longer meets the work program requirement.
You may meet your work program requirement in one of the following ways:
1. You may get a job for the entire work program required hours I told you about.
2. You may participate in another ESP activity that meets the entire work program required hours I told you about. I can help you decide which activity will help you reach self-sufficiency and get you a job. I can also refer you to that activity today.
3. You may work or participate in another ESP activity in combination with community service to meet the work program requirement. You may continue to participate in community service, but only for hours per week. We cannot include the time it takes you to get from community service to the ESP activity to count towards your work program requirement.

I can help you decide which of these options is best for you.