

12-9-81

1 Rule as ~~Proposed~~ *Adopted*

2 8 MCAR S 4.0010 Summer youth employment.

3 A. Purpose. This rule adopted pursuant to Laws 1977, ch.

4 254, S 3, Minn. Stat. S 268.33 is designed to establish a

5 procedure for the allocation of funds under the Youth Employment

6 Act of 1977, Laws 1977, ch. 254 Minn. Stat. SS 268.31-268.36,

7 and to establish contracting, operating, and invoicing

8 procedures to be utilized in the expenditure of said the funds.

9 B. Definition of terms. The following terms used in this
10 rule shall have the meaning meanings given them:-

11 1. "Act" means the Youth Employment Act of 1977, Laws of
12 1977, ch. 254 Minn. Stat. SS 268.31-268.36.

13 2. "Commissioner" means the Commissioner of the Minnesota
14 Department of Economic Security.

15 3. "Contract" means an agreement entered into between a
16 prime sponsor or a political subdivision or a nonprofit
17 organization and the commissioner for the operation of a youth
18 employment program under the Act.

19 4. "Department" means the Minnesota Department of
20 Economic Security.

21 5. "Prime sponsor" means a unit of government,
22 combination of units of government, a rural concentrated
23 employment grantee, or an Indian reservation, which has entered
24 into a grant with the United States Department of Labor to

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1 provide comprehensive manpower services under the federal
2 Comprehensive Employment and Training Act of 1973 (P.L. 93-203).

3 6. "Program employer" means an organization which employs
4 a person ~~or persons~~ under the program established by the Act.

5 7. "Subcontract" means an agreement entered into between
6 a prime sponsor and a political subdivision ~~and/or~~ nonprofit
7 organization, or both, for the operation of a youth employment
8 program under the Act.

9 C. Allocation of funds. The commissioner shall allocate
10 funds available under the Act as follows:

11 1. Allocations to counties.

12 a. Fifty percent ~~{50.0%}~~ of the funds available under
13 the Act shall be allocated to counties on the basis of each
14 county's share of the estimated youth population of the state
15 which is 14 through 21 years of age.

16 b. Fifty percent ~~{50.0%}~~ of the funds available under
17 the Act shall be allocated to counties according to each
18 county's share of the estimated youth population of the state
19 which is 14 through 21 years of age, adjusted for:

20 (1) Historic summer unemployment rates in the county
21 as evidenced by official labor force estimates for the months of
22 June, July and August for the most recent three-year period for
23 which such data is available;

24 (2) The county's proportion of families below the
25 poverty level as evidenced by 1970 ~~U.S.~~ United States Census
26 figures as adjusted by reference to more recent population
27 surveys, provided that ~~such~~ reference to more recent population
28 surveys shall be made only if such data is available for all
29 counties in the state; and

30 (3) Estimates of postsecondary school enrollment in
31 the county as evidenced by validated statistics from the
32 Minnesota Higher Education Coordinating Board or, in their
33 absence, by the most recent ~~U.S.~~ United States Census data.

34 c. The method of allocation to counties expressed
35 mathematically shall be as follows:

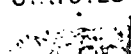
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$$A_{ci} = \frac{0.5(YP_{ci})}{YP_s} + \frac{0.5F(YPA_{ci})(U_{ci})(P_{ci})}{\sum_{i=1}^n (YPA_{ci})(U_{ci})(P_{ci})}$$

where: 1- (1) A_{ci} = allocation to the i^{th} county;
 2- (2) F = funds available under the Act;
 3- (3) YP_{ci} = youth population 14 through 21 years of age in the i^{th} county, determined by interpolation for the current year from projections of the state demographer;
 4- (4) YP_s = same as 3- (3) above for the state;
 5- (5) YPA_{ci} = youth population as in 3- (3) above, but adjusted for postsecondary school enrollment as referenced in 8 MEAR C.1.b.(3);
 6- (6) U_{ci} = most recent three year average of official labor force unemployment rates for the months of June, July, and August for the i^{th} county; and
 7- (7) P_{ci} = percent of all families with income below the poverty level in the i^{th} county as evidenced by the 1970 United States Census or more recent population surveys as referenced in 8 MEAR C.1.b.(2).

2. Allocation to cities and Indian reservations. After the commissioner has made an allocation to each county, each county's allocation shall be divided as follows:-

a. Each city within the county which has a total population of 2,500 or more shall receive that portion of the county's allocation which is proportionate to the population of the city as compared to the total population of the county as evidenced by the most recent U.S. United States Bureau of Census estimates. Each Indian reservation within the county shall receive that portion of the county's allocation which is proportionate to the population of the Indian reservation as compared to the total population of the county as evidenced by

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1 1970 U.S. United States Census figures.

2 b. The remainder of the county allocation, that part
3 which is not allocated to cities and Indian reservations under 8
4 MEAR § 4-0010 C.2.a., shall be allocated to the county as a
5 whole.

6 D. Contracting procedures. Each prime sponsor will be
7 offered a contract for the amount of funds allocated to its
8 area. Upon the offer of a contract, each prime sponsor may
9 exercise the following options:

10 1. Sign the contract for the entire amount of the
11 allocation and directly administer the program;

12 2. Sign the contract for the entire amount of the
13 allocation and subcontract the operation of the program to
14 political subdivisions and/or nonprofit organizations, or both,
15 within the prime sponsor's jurisdiction;

16 3. Designate all or a part of the allocation to be
17 directly used by a state agency, political subdivision or a
18 nonprofit organization; or

19 4. Decline the offer of the contract. In such a case,
20 the commissioner shall offer to contract directly with the
21 cities, Indian reservations and counties in the prime sponsor's
22 area.

23 E. Operation procedures.

24 1. Regular program. Youth who are at least 14 years of
25 age but less than 22 years of age at the time they are to begin
26 employment under the program established by the Act are eligible
27 for program employment. Approximately fifty percent of the
28 youth hired should be from families whose annual incomes do not
29 exceed the poverty guidelines which meet the criteria for
30 economically disadvantaged as established by the Employment and
31 Training Administration of the United States Department of Labor
32 at 20 Code of Federal Regulations, Sections 675.4 and 675.5-10
33 (1980). However, in the event if there are insufficient
34 eligible youth from economically disadvantaged families below
35 the poverty level available for employment to meet this goal
36 within an area under the jurisdiction of a prime sponsor which

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1 has received an allocation under 8 MEAR S 4-0010 C., and the
 2 prime sponsor certifies such insufficiency to the department and
 3 the department concurs, such poverty level the criteria shall be
 4 waived with respect to the funds allocated to such the area.

5 Hereinafter, this portion of the program is referred to as the
 6 "regular program."

7 2. Postsecondary program. Notwithstanding 8 MEAR S
 8 4-0010 E.1., at least 33-1/3 percent of the funds allocated to
 9 the prime sponsor area are to be used to hire youth who are at
 10 least 18 years of age, or a high school graduate, but less than
 11 22 years of age who are certified by the department as intending
 12 to enroll or are enrolled in a postsecondary educational
 13 institution. Approximately fifty 50 percent of the youth hired
 14 should be from families whose annual incomes do not exceed the
 15 poverty guidelines which meet the criteria for economically
 16 disadvantaged as established by the Employment and Training
 17 Administration of the United States Department of Labor at 20
 18 Code of Federal Regulations, Sections 675.4 and 675.5-10 (1980).
 19 However, in the event if there are insufficient eligible youth
 20 from economically disadvantaged families below the poverty level
 21 available for employment to meet this goal within an area under
 22 the jurisdiction of a prime sponsor which has received an
 23 allocation under 8 MEAR S 4-0010 C., and the prime sponsor
 24 certifies such insufficiency to the department and the
 25 department concurs, such poverty level the criteria shall be
 26 waived with respect to the funds allocated to such the area.
 27 Hereinafter, this portion of the program is referred to as the
 28 "postsecondary program." A partial waiver from this part may be
 29 obtained in accordance with the procedures set forth in 8 MEAR S
 30 4-0010 G.

31 3. To obtain eligible youth, program employers must place
 32 a job order with the department and may employ only those youth
 33 referred by the department.

34 4. Eligible youth {not designated as supervisors} shall
 35 be paid the federal minimum wage for a period not to exceed 40
 36 hours per calendar week and for not more than 12 weeks.

1 5. A program employers, at their discretion, employer may
2 -
3 designate one eligible youth as supervisor for every ten youth
4 in its employ under the Act. Program employers who employ at
5 least five but less than ten youth may designate one youth as a
6 supervisor. Youth designated as supervisors shall be paid the
7 federal minimum wage plus twenty-five cents {25¢} per hour for
8 up to 40 hours per week for a period not exceeding 12 weeks.

9 6. Upon signing a contract or subcontract program
10 employers may begin employing eligible youth referred by the
11 department; however, no youth may be employed while attending
12 school as a full-time student. No youth may be employed beyond
13 September 30th of each calendar year.

14 F. Invoicing. The department shall reimburse contractors
15 for wages paid to eligible youth, employer's contributions to
16 FICA paid in behalf of such youth and workers' compensation
17 insurance costs for such youth. Invoices and specific
18 procedures for reimbursement will be furnished to program
19 employers by the department.

20 G. Reallocation procedures.

21 1. Funds may be reallocated within a county or between a
22 county and a city or between counties under the following
23 circumstances:

24 a. The city or county originally allocated the funds
25 according to the formula in 8 MEAR S 4:0010 C. refuses the funds;
26 ; or
27 ----

28 b. The city or county originally allocated the funds
29 gives its permission for those funds to be used in another city
30 or county.

31 c. In addition, the prime sponsors may reallocate up
32 -----
33 to the equivalent of one full-time slot or position not to
34 exceed \$1,000 between any subdivision above for the purpose of
35 simplified administration of the program.

36 2. Prime sponsors may shift funds from the postsecondary
37 portion of their program to the regular portion of their program
38 provided that they certify in writing to the department that
39 they are unable to obtain sufficient youth who meet the criteria

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1 set forth in 8 MEAR S 4:0010 E.2., and the department concurs.

2 3. During the period of the contract, the department may
3 -----
4 shift funds from one prime sponsor to another prime sponsor with
5 -----
6 the mutual consent of both prime sponsors if the prime sponsor
7 -----
8 releasing the funds certifies that such funds are surplus and
9 -----
10 unlikely to be used within his area by the end of the contract
11 -----
12 period and the prime sponsor receiving the funds certifies that
13 -----
14 the funds are likely to be used before the end of the contract
15 -----
16 period.
17 -----

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