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## Interim Policy and Procedure Memorandum

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### ISD IPP 16-01

**TO:** ISD and NMW Service Provider Employees  
**FROM:** *NMM* Marilyn Martinez, Director, Income Support Division  
**RE:** Wage Subsidy  
**DATE:** February 29, 2016

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This IPP serves to:

- Rescind ISD IPP 15-08; this includes ISD IPP 13-02; ISD GI 07-29 issued April 11, 2007; ISD GI 08-10 issued March 4, 2008 and ISD IPP 10-14 issued October 8, 2010;
- Provide additional guidance for the Wage Subsidy process specific to placements with the Human Services Department (HSD).

1. This IPP supersedes all previous IPPs, GIs, and all other memorandum, directives, organizational charts, procedures, and policies published by the Income Support Division (ISD) dealing with the Wage Subsidy process.

2. The following outlines the procedure and responsibilities with respect to a TANF NMW participant being referred and enrolled in Wage Subsidy:

#### **NMW Service Provider and Wage Subsidy (WS) Coordinator**

- Maintains a continuous list of Wage Subsidy candidates.
- Ensures referred candidates meet the following criteria:
  1. Have sufficient work experience;
  2. Be a registered participant in NMW;
  3. Be in "good standing" with HSD (No claims or sanctions and all current activity data entered into ASPEN NMW screens); and
  4. Verification of highest educational level attained.
- Submits a referral packet to the supervising site that includes at a minimum the Wage Subsidy Review Checklist, Wage Subsidy Referral Checklist, candidate's resume, and verification of education.
- Provides:
  - A work readiness session for all candidates;
  - Case management to Wage Subsidy participant to include monitoring job performance to ensure job retention; and
  - Additional mentoring and training for the non-selected candidates.
- Promotes permanent employment of the Wage Subsidy participant during and at the completion of

the service.

- Determines effective date of hire and notifies site supervisor of the start date.
- Schedules and conducts orientation with the site supervisor. Orientation includes responsibilities of each agency for each Wage Subsidy placement.
- Ensures the Wage Subsidy Participant is placed on the waitlist and a 2<sup>nd</sup> party review is sent to the ISD Liaison.
- Upon receipt of the participant's first check stub, reviews to ensure appropriate deduction are listed and he/she is paid the wage determined by the position offered.
- Monitors Wage Subsidy participant's LWOP to ensure such leave does not exceed allowable limit: 16 hours of unexcused absences in a calendar month or 80 cumulative hours during the wage subsidy term.
- Contacts site supervisors one month before expiration of term for all participants and the ISD Office where the participant's case is located.
- Initiates termination paperwork for the Wage Subsidy participant upon conclusion of term or departure other than for non-compliance of Wage Subsidy requirements, and forwards to the Wage Subsidy participant, site supervisor, and the local ISD office.
- Upon notification of non-compliance of a Wage Subsidy participant, initiates letter of termination to the Wage Subsidy participant, site supervisor, and the local ISD office and also will ensure placement of conciliation/sanction.
- Assists candidates in submitting employment applications for unsubsidized employment per Scope of Work.
- Refers Wage Subsidy Service policy questions to the Work and Family Support Bureau.
- WS Coordinator ensures compliance with all other requirements per Wage Subsidy Service Scope of Work.

### **Supervising Employment Site**

- Interviews candidates that have been "Approved for Interview" by the WS Coordinator.
- Conducts interview(s) with the referred candidate(s) **within two weeks**.
- Completes up to three reference checks.
- Updates WS Coordinator within **two business days** after selecting a candidate by submitting a completed interview packet. The packet should include the completed interview questionnaire and the Wage Subsidy Agreement form initialed and signed in all appropriate places by the site supervisor.
- Updates WS Coordinator within two business days why a candidate was not chosen and if additional referral packets are needed.
- *Ensures:*
  - Wage Subsidy has all necessary system access;
  - Participants do not work more than 40 hours per week;
  - Subsidized employment does not impair an existing contract or collective bargaining agreement;
  - Subsidized employment does not displace currently employed persons or fills positions that are vacant due to a layoff; and
  - Wage Subsidy participant enrolls on Blackboard and monitors the participant has completed all ISD or the supervising agency's required trainings.
- Approves weekly Time Sheet before the Wage Subsidy participant submits it to the WS Coordinator.
- Maintains health, safety and work conditions at or above levels generally acceptable in the industry and not less than those of comparable jobs offered by the employer.
- Provides on-the-job training necessary for subsidized participants to perform their duties.
- Completes quarterly evaluations of Wage Subsidy participant (*Quarterly Performance Review and Plan for Wage Subsidy*) and submits the evaluation to Wage Subsidy participant, CDS, and WS

Coordinator.

- Provides the WS Coordinator with notification of any absences beyond the maximum allowed. (Wage Subsidy participant who exceeds 16 hours of unexcused leave in a month or 80 cumulative hours of unexcused leave over the course of the Wage Subsidy term is subject to termination). However, good cause can be applied to unexcused leave at the discretion of the site supervisor.
- Requests termination from WS Coordinator of any Wage Subsidy participant who exceeds allowable leave or does not meet performance requirements (Termination for cause will be initiated and processed by WS Coordinator).
- Notifies the WS Coordinator when a Wage Subsidy participant is in non-compliance or voluntarily quits.

### **ISD Field Office**

- Requests a Wage Subsidy position through WFSB. No hiring packets for wage subsidy candidates should be submitted to NMW Service Provider prior to approval from WFSB.
- Provides Wage Subsidy candidate referrals to the WS Coordinator, if chooses to.
- **Ensures:**
  - The coding for the current Wage Subsidy participants is correct and consistent in ASPEN. The following are processing reminders for Wage Subsidy coding upon receiving an alert from NMW when they have placed the participant on the waitlist:
    - Individuals must first have the “Status” field marked as “approved” on the Add/Update Waitlist Status Screen (left nav: Waitlist > Add/Maintain Individual > Add/Update Waitlist Status)
    - Initiates case change mode and complete the Employment Logical Unit of Work (left nav: > Data Collection > Income > Employment)
    - Ensures that the “Is this TANF Subsidized Employment” field is marked “yes” on the Employment – Employer Details Screen (left nav: > Data Collection > Income > Employment – Employer Details Screen)
  - Completion of any additional data collection as appropriate, Run EDBC and certify results:
    - TANF EDG closes and a Wage Subsidy EDG is established;
    - Medicaid EDGs remain unaffected;
    - SNAP is evaluated for TFS;
  - The months of participation in the Wage Subsidy Service do not count against an individual’s 60-month term limit;
  - The participant is considered to be in active case status while in subsidized employment and, therefore, must comply with all eligibility and participation requirements of the NMW cash assistance program;
  - TANF supportive services remain available to the participant; and
  - Wage Subsidy EDG is closed in ASPEN in order to place the participant back on regular TANF EDG, after termination of their participation.
- Initiates the conciliation/sanction process and issue a ***Notice of Non-Compliance and Notice of Case Action*** when a Wage Subsidy participant is terminated from the WS Service due to non-compliance and consequently transitioned back to NMW cash assistance. NMW assistance shall be reviewed for eligibility with the appropriate level sanction.

If you have further questions regarding this IPP, please contact Tashi Gyalkhar, TANF/Refugee Programs Staff Manager at (505) 827-1323 or via email at [Tashi.Gyalkhar2@state.nm.us](mailto:Tashi.Gyalkhar2@state.nm.us).

**Attachment:** Wage Subsidy Service Scope of Work; HSD Blackboard Registration form for SL Start; Weekly Timesheet



<p><b>Section 16</b></p>	<p><b>WAGE SUBSIDY</b></p>
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SL Start will be responsible to administer the New Mexico Wage Subsidy Service. The Wage Subsidy Service is a subsidized employment opportunity that provides a NM Works/TANF (NMW) cash assistance participant paid employment instead of receiving monthly cash payments. The service is designed to promote self-sufficiency through paid work and provides incentive for employers to provide office entry level training to the participants. This limited job placement has the potential to continue and become full-time employment. SL Start will be required to complete the requirements listed below in the Scope of Work section.

	<p><b>HSD RESPONSIBILITIES</b></p>
	<ol style="list-style-type: none"> <li>1. Act as the funding agency and increase the current SL Start contract by \$1,300,000.00 in order to place wage subsidy eligible individuals in to work experience opportunities that may lead to permanent full time jobs for TANF participants.</li> <li>2. Supply the SL Start with related informational data to assist SL Start in performing services as stated in this Scope of Work.</li> <li>3. Provide direction to the SL Start and selected location staff to ensure participation and collaboration with the SL Start.</li> <li>4. Conduct WS service and fiscal reviews for quality assurance and compliance by conducting independent on-site TANF program and fiscal reviews of the SL Start and provide SL Start with a detailed report of findings. HSD will provide advanced notice to the SL Start at least fifteen (15) business days prior to the on-site visit. HSD must have reasonable access to the SL Start and service provider's premises and service-related records (both electronic and hard copy).</li> <li>5. All Wage Subsidy funds disbursed to the SL Start shall be federal monies. No HSD state funds shall be transferred, disbursed or reimbursed to the SL Start under the terms of this contract.</li> <li>6. Certify monthly SL Start billing invoices, which are subject to approval by the HSD Contract Manager, to ensure that expenditures meet all federal and state requirements.</li> <li>7. Transfer TANF funds to SL Start, upon receipt of monthly invoices prepared by SL Start that contain detailed fiscal documentation, including expenditures, to support the transfer.</li> </ol>

## SL START RESPONSIBILITIES

1. Place a minimum of 100 participants to be employed at work sites participating in the Wage Subsidy service. A participant may be employed through the New Mexico wage subsidy service for a period of up to 12 months.
2. Pay participants no less than \$8.60 per hour unless another hourly rate is approved by the Human Services Department (HSD), Income Support Division.
3. Provide other benefits (includes but is not be limited to, health care coverage, paid sick leave, holiday and vacation pay) equal to those for new employees, or as required by state and federal law, whichever is greater.
4. Provide workers' compensation coverage for each subsidized employee;
5. SL Start shall give priority to hiring Wage Subsidy (WS) worker to Income Support Division (ISD) offices with vacant WS positions.
6. Maintain a designated contact person and/or service coordinator;
7. Submit to, and comply with, an annual Management Evaluation to be conducted by the HSD staff including completion of a Corrective Action Plan (CAP) if the HSD should determine that one is required;
8. Maintains a continuous list of Wage Subsidy candidates with minimum of 50 slots filled through the term of this contract;
9. Ensure proper slot allocation of Wage Subsidy positions to all approved offices by verifying with ISD Director's office;
10. Referred candidates file needs to contain the following:
  - a. Candidate's resume;
  - b. Copies of the HSD Job Interest Form (JIF) ;
  - c. Copy of the candidate's job description;
  - d. Verification of education. (All relevant work experience and employment should be listed on the candidate's resume and JIF;
  - e. Work Experience (WE) placements site and direct supervisor's contact information;
  - f. The Employment Eligibility Verification Form (I-9);
  - g. Copies of time sheets
  - h. Case notes-at a minimum should include:
11. Where a participant has submitted job application or resumes which may lead to full-time unsubsidized employment;
12. List of training that have been provided and/or attended;
13. Copies of participants job site evaluation and/or job reviews  
Document any case management services and/or referral for support services that

have made; and

Any challenges expressed by the participant and/or his/her supervisor and what actions were completed to address the challenges.

**14. Ensure Wage Subsidy candidates meet the following criteria:**

- a. Have sufficient work experience;
- b. Be an active participant in NMW;
- c. Be in "good standing" with HSD (No claims or sanctions and all current activity data entered into ASPEN NMW screens); and
- d. Verification of highest educational level attained;

**15. Ensure to:**

- a. Review NMW participant documents submitted for Wage Subsidy service and approve participant for referral to potential employer;
- b. Place all WS placements in public positions;
- c. Validate that the candidate meets the eligibility and position requirements for Wage Subsidy;
- d. Provides the participating worksite with a copy of the referral packet with Wage Subsidy checklist (attached) on candidates approved to be interviewed for selection into a Wage Subsidy position;
- e. Provides a one-day work readiness session for all candidates. This session should concentrate on educating the candidates regarding the work sites code of conduct;
- f. Assists candidates in submitting employment applications for unsubsidized employment opportunities prior to the expiration of the maximum 12 month Wage Subsidy period;
- g. Provides case management to Wage Subsidy participants to include monitoring job performance to ensure job retention;
- h. Promotes permanent employment of the Wage Subsidy participant during and at the completion of the service. After 60 days of participating in the service, the participant must submit at least four applications monthly to potential employers;
- i. Ensures participant and employer properly complete their Agreement Form, maintains a copy in participant's employee file and worksite file;
- j. Upon receipt of the participant's first check stub, reviews the check stub with participant to ensure appropriate deduction are listed;
- k. Provide additional mentoring and training for the non-selected candidates;
- l. Determines effective date of hire;
- m. Notifies the worksite of the effective date of hire;
- n. Prior to a participant's worksite placement, SL Start needs to monitor the completion of all required training by the participating worksite in the service;
- o. Initiates letter of termination to participant with copies to WFSB and the worksite, upon notification of non-compliance of a Wage Subsidy participant;
- p. Annual and sick leave: While participating in the NMW wage subsidy service, the participant is entitled to accrue a balance of both sick and annual leave, as provided by the employer;
- q. Monitors Wage Subsidy participant's Leave With Out Pay (LWOP) to ensure such leave does not exceed allowable limit: 16 hours of unexcused

absences in a calendar month or 80 cumulative hours during the wage subsidy term;

- r. Contacts the worksite one month before expiration of term to ensure job development is being undertaken to transition Wage Subsidy participant to unsubsidized employment;
- s. Notifies the concerned office when a Wage Subsidy participant is in non-compliance or voluntarily quits;
- t. Refers Wage Subsidy Service policy questions to the Work and Family Support Bureau; and
- u. Engage in ongoing communication with the Work and Family Support Bureau and all to ensure that TANF clients are meeting participation requirements in order to continue receiving childcare services.
- v. Participating Work Site shall:
  - i. Hire NMW participants for subsidized positions and offer a reasonable possibility of unsubsidized employment after the subsidy period;
  - ii. Not require participants to work in excess of forty hours per week;
  - iii. Ensure that the subsidized employment does not impair an existing contract or collective bargaining agreement;
  - iv. Ensure that the subsidized employment does not displace currently employed persons or fill positions that are vacant due to a layoff;
  - v. Maintain health, safety and work conditions at or above levels generally acceptable in the industry and not less than those of comparable jobs offered by the employer;
  - vi. Provide on-the-job training necessary for subsidized participants to perform their duties;
  - vii. Sign an agreement for each placement outlining the specific job offered to a subsidized employee and agreeing to abide by all of the requirements of the wage subsidy service; and
  - viii. Inform the employer of any absences resulting in leave without pay;

Proceed with termination of any New Mexico wage subsidy employee who has used an excess of 16 hours unexcused absences in a month or 80 cumulative hours over the course of the wage subsidy term.

**16. Excused absences:** Participants are entitled to unpaid excused absences at the discretion of the site supervisor or NMW service provider. A participant may not be allowed more than 16 hours of unpaid excused absences in any month or 80 hours cumulatively during the wage subsidy term, without good cause. Absences are approved by the site supervisor or by the NMW service provider.

**17. Absences in excess of the accrued annual, sick and the unpaid excused absence totals will result in termination of the NMW wage subsidy activity and the participant will be subject to the conciliation and sanction process in accordance with regulation at 8.102.620 NMAC. The appropriate termination process dictated by the employer's human resources procedures shall be followed.**

<p style="text-align: center;"><b>Fiscal Requirements</b></p>	<ol style="list-style-type: none"> <li>1. Submit a Wage Subsidy budget using the template attached to this contract [Exhibit B] that must be approved by the Contract Manager designated by HSD, for operations cost. SL Start shall prepare a budget for the contracted amount that includes all line item elements as prescribed by the New Mexico Department of Finance and Administration (DFA) for: position, personnel, employee benefits, contractual services, transportation, maintenance/repairs, operating costs, capital outlay, etc., [<a href="http://www.dfafcd.state.nm.us/manuals/coa.pdf">http://www.dfafcd.state.nm.us/manuals/coa.pdf</a>]. The budget must be provided to HSD by the 30th calendar day following the effective date of this contract. No payment shall be made under this contract unless the Contract Manager approves the service budget required under this contract. The approved budget shall provide the basis for the services provided under this contract. The budget shall not be altered without written approval of HSD.</li> <li>2. Provide monthly invoices to the HSD containing documentation for all expenses. The Contractor shall submit an Expenditure Balance Report adhering to the Department of Finance and Administration (DFA) Expenditure Chart of Account (<a href="http://www.dfafcd.state.nm.us/manuals/coa.pdf">http://www.dfafcd.state.nm.us/manuals/coa.pdf</a>) [EXHIBIT C1].</li> <li>3. Monthly invoices submitted by SL Start to the HSD must be received by the HSD no later than the 15th day of the month following the end of each month. Failure to adhere to this requirement may result in a reduction of available funds and non-payment of invoices. The carryover of funds between fiscal years shall not be permitted. HSD will make every effort to make payment to SL Start within 30 days from receipt of a correct invoice.</li> <li>4. SL Start shall submit an Expenditure Balance Report adhering to the Department of Finance and Administration (DFA) Expenditure Chart of Account (<a href="http://www.dfafcd.state.nm.us/manuals/coa.pdf">http://www.dfafcd.state.nm.us/manuals/coa.pdf</a>) [EXHIBIT C1].</li> <li>5. Adhere to the requirements of the Cash Management Improvement Act of 1990, as set forth at 31CFR 205.</li> <li>6. Maintain fiscal records necessary for full accountability, comply with federal accounting and fiscal requirements applicable to handling of any federal funds, and follow generally accepted accounting principles and account for all receipts and disbursement of funds transferred or expended pursuant to this contract.</li> <li>7. As fiscal agent, SL Start shall abide by its regulations and all fiscal matters compliant with regulations of the New Mexico Procurement Code and the State Auditor's Office.</li> <li>8. Distribution of funds associated with this amendment: <ol style="list-style-type: none"> <li>a. Ensure that administrative costs do not exceed 10% of the amount allocated in this Amendment to administer the wage subsidy service.</li> <li>b. HSD will allow a reasonable cost not to exceed \$75,000.00 of this allocation be used for direct service program coordination and management of the Wage Subsidy service.</li> <li>c. All remaining funds are to be used on Wage Subsidy participant's wages and benefits.</li> </ol> </li> <li>9. Manage the funding made available by this contract by ensuring that monthly expenditures meet federal TANF and state requirements.</li> </ol>
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	<p>10. Upon termination of this contract or after the services provided for herein have been rendered, surplus money, if any, shall be returned immediately by SL Start to HSD.</p> <p>11. Timely submit all reports and invoices to the Contract Manager at:</p> <p style="text-align: center;">Desiree Whitfill, Contract Manager          Work and Family Support Bureau          Income Support Division          Human Services Department          2009 S Pacheco Street / P O Box 2348          Santa Fe, NM 87504</p>
<p><b>Reporting Requirements</b></p>	<p>Provide a monthly service and data report to HSD in a mutually agreed-upon format no later than the 15th day of each month. Report must include monthly and year to date (YTD) unduplicated totals by offices with participants name, ASPEN case ID and individual for the following:</p> <ol style="list-style-type: none"> <li>1. Number of referred candidates;</li> <li>2. Number of candidates approved for interview;</li> <li>3. Number of candidates completed interview;</li> <li>4. Number of Wage Subsidy placed for the month</li> <li>5. Number of participants placed;</li> <li>6. Number of candidates that transitioned to unsubsidized employment;</li> <li>7. Number of termination;</li> <li>8. Number of worksites;</li> <li>9. Number of new worksite developed in the month;</li> <li>10. New types of positions developed.</li> </ol>



# Wage Subsidy Time Sheet

Participant Name: \_\_\_\_\_

Wage Subsidy Job Site: \_\_\_\_\_

Week Beginning: \_\_\_\_\_

Work Schedule (Show as Times – i.e. 1-4):

Mon	Tue	Wed	Thu	Fri	Sat	Sun
8-5	8-5	8-5	8-5	8-5	Off	Off

**Max Allowable Hours Week:   40**

*Use Ink only, no pencil or white out on the timesheet. Initial*

*all changes*

Worked Hours with Start and End Times								Absences		
Day Worked	Date Worked	Start Time	Out for Meal Break	Back from Meal Break	End Time	Total Hours Worked	Holiday Hours	Participant Called In Absent (yes/no)	Reason for Absence	Hours Absent from Work
Monday										
Tuesday										
Wednesday										
Thursday										
Friday										
	<b>Total Hours</b>									

**\*WHEN ENTERING YOUR TIME, ROUND TO THE NEAREST QUARTER OF THE HOUR (e.g. 1:00, 1:15, 1:30 or 1:45) \***

I certify the information contained on this time sheet is true and correct.

Participant Signature: \_\_\_\_\_ Date Signed: \_\_\_\_\_

Supervisor Signature: \_\_\_\_\_ Date Signed: \_\_\_\_\_

Coordinator's Signature: \_\_\_\_\_ Date Signed: \_\_\_\_\_

## Timesheet Instructions

**Timesheet due date: Fridays by 5:00**

Timesheets may be emailed to Megan McCollam at [mmccollam@slstart.com](mailto:mmccollam@slstart.com)

**It is your responsibility to turn in your timesheet to ensure you are paid.**

Date Received: \_\_\_\_\_ Initials: \_\_\_\_\_

Date entered: \_\_\_\_\_ Initials: \_\_\_\_\_

### **Timesheets Must Be Neat and Easy To Read**

1. Timesheets must be completed in dark ink, not pencil.
2. "Liquid Paper" or "White Out" is not allowed on timesheets.
3. Timesheets must be legible or we will ask for them to be re-done.
4. Cross-outs must be initialed.

### **Timesheets Must Be Accurate**

1. Do ***not*** add any hours in the "Excused or Unexcused Absence" columns or to the "Total Hours Worked with Holidays" column total.
2. For any absences you must call in to the worksite supervisor to explain the situation on or before the day you are to report to the worksite when possible, and call your Wage Subsidy Coordinator, Judy Gallegos 575-543-8809. If there is any absence, the reason must be in the "Reason for Absence" column.
3. A 30-minute meal break must be given if the participant is working over four (4) hours in any one shift. Meal breaks are unpaid. Do not include time spent on meal breaks in the "Total Hours Worked" column.

Please ensure that you email your timesheet every Friday to Megan McCollam at [mmccollam@sstart.com](mailto:mmccollam@sstart.com) by 5:00 pm.

**Failure to submit time sheet on time will result in a delay in your payroll processing. A Time Sheet Correction form MUST be signed by you before late hours can be submitted.**