



Annual Report to the Oregon Legislative
Assembly and
Governor Kate Brown

Department of Human Services
JOBS Plus Program

Program Year 2017
July 1, 2017 through June 30, 2018

Background

Oregon Revised Statute 411.896 requires the Department of Human Services (DHS) to submit an annual report to the Legislative Assembly and the Governor, containing an analysis of the JOBS Plus program and recommendations from the department and the JOBS Plus Advisory Board regarding appropriate revisions to the program.

The JOBS Plus program has been an integral part of DHS Self-Sufficiency Job Opportunity and Basic Skills (JOBS) Program since 1994. JOBS Plus provides real work experience and mentorship opportunities for participants in the TANF program. The goal is to move families out of poverty and into employment.

Participating employers are reimbursed at the Oregon minimum wage, plus payroll taxes and workers compensation costs, for the first month of the six month JOBS Plus period, and minimum wage minus one dollar for the remaining five months. The extra dollar per hour deducted starting the second month is put into an Individual Education Account for the JOBS Plus participant to use for continuing education after finishing the JOBS Plus experience.

There is a pending JOBS Plus pilot that will begin in the fall of 2018:

- The office of Developmental Disabilities will recruit TANF participants to become job coaches and direct care providers. The pilot will incorporate supports and training for the participants, with a great likelihood of a permanent job offer at the end of the JOBS Plus experience.

Employment measurements were adjusted this year due to changes in the PRISM data system with the Oregon Employment Department, and to continue to align outcomes with the Workforce Innovation and Opportunities Act (WIOA). The Department of Human Services will work with the Oregon Employment Department over the next year to explore potential measurement processes through the new PRISM version.

History of the JOBS Plus Program

The JOBS Plus Program was created upon passage of Ballot Measure 7, the “Full Employment Program,” in 1990. Under this measure, recipients of Food Stamp benefits (now known as the Supplemental Nutrition Assistance Program (SNAP), Aid to Dependent Children (now the Temporary Assistance for Needy

Families (TANF) and unemployment insurance benefits in six Oregon counties would work in private and public-sector jobs, for which they would be paid 90 percent of the minimum wage instead of receiving public-assistance benefits. After its passage, the Department of Human Services (DHS), applied for the necessary waivers from the federal government. However, waivers were not granted and the program could not be implemented.

Supporters of Measure 7 worked with DHS and staff of then Governor Barbara Roberts to construct a program that would accomplish the same goals as Measure 7, but would also meet with federal approval. The resulting "JOBS Plus" pilot program was adopted by the 1993 legislature, and after a federal waiver process, was approved for start-up in November 1994.

During the 1995 legislative session, a wide-ranging welfare reform law, Senate Bill 1117, was passed. One of its provisions expanded the six-county pilot of the JOBS Plus program to the entire state. Federal approval for SB 1117 was received in March 1996, and the JOBS Plus program officially began statewide operation on July 1, 1996.

Enrollment in the JOBS Plus program was briefly suspended on April 1, 2001, when funding for the program was scheduled to end in July 2001. When JOBS Plus funding was secure, enrollment in the program resumed in July 2001. However, Senate Bill 874 (2001) changed the JOBS Plus employer reimbursement amount and maximum participant length for Unemployment Insurance (UI) claimants.

Until July 1, 2001, JOBS Plus was administered jointly by DHS and the Oregon Employment Department (OED). Currently, local JOBS Plus coordinators are responsible for matching participants with appropriate JOBS Plus work site positions. These coordinators are either staff from DHS or a local Job Opportunity and Basic Skills (JOBS) program contracted partner who provides services to participants in the statewide JOBS program.

The UI JOBS Plus program for the Oregon Employment Department was suspended on June 30, 2005. The Oregon Legislative Assembly did not reauthorize the program. On March 17, 2009, the Oregon Legislature passed SB581 which removed the OED from JOBS Plus statute.

- During the first year of statewide operation (July 1996 to June 1997), 2,204 or 64 percent of the 3,467 individuals placed in the JOBS Plus Program were DHS clients.
- Between July 1997 and June 2005, 5,582 or 24 percent of the 23,449 JOBS Plus participants were DHS clients.
- Since July 2005, all JOBS Plus participants have been DHS clients.

** See appendices at the end of this report for full data

JOBS Plus for DHS TANF Participants

JOBS Plus is one component of the existing Department of Human Services' Job Opportunity and Basic Skills (JOBS) program. The JOBS program is an employment and training component of the TANF program operated across the State through a network of contracted partners such as community colleges and workforce system partner agencies and organizations.

JOBS Plus provides a means for TANF participants who have been unable to find employment through other JOBS services to gain "real world" work experience and expand their resume. The program is an innovative public-private partnership aimed at helping individuals move off public assistance and into the workforce. This program is one of the strategies for helping TANF participants be on a path out of poverty so that long-term stability can be sustained.

DHS JOBS Plus participants do not receive their TANF grant or SNAP benefits while enrolled in JOBS Plus. Instead they receive a paycheck from the employer. In instances where the JOBS Plus wages are less than the amount of benefits the participant would have received, the difference is paid by DHS to the participant in the form of a supplement.

Participants in JOBS Plus positions also receive important added benefits. If the state is collecting child support from an absent parent, the entire amount is provided to the participant, instead of being retained by the state. In addition, JOBS Plus participants are likely to be eligible for federal and state Earned Income Tax Credits.

For DHS, JOBS Plus continues to be a successful program. Through JOBS Plus, DHS and its JOBS partners have established an effective relationship with the private sector. Businesses have benefited from the labor provided and, more importantly, participants have gained skills and obtained useful job experience to help them be more competitive in the labor market.

JOBS Plus Program Process for Employers

JOBS Plus participants are placed in positions at private businesses, not-for-profit organizations, or public agencies. The participant receives wages directly from the employer rather than TANF and SNAP benefits from DHS. The employer determines the participants' hourly wage, which must be at least equal to Oregon's minimum wage.

Employers pay participants directly and are reimbursed retroactively. DHS reimburses employers for wages paid to the participant, not to exceed Oregon's

minimum wage (the proper tier based on geographic area), and payroll taxes including worker's compensation and unemployment insurance benefits. An employer may choose to pay a participant more than the Oregon minimum wage, as many do, however, they are responsible for the difference.

JOBS Plus employer wage reimbursements are processed by the DHS Direct Pay Unit. The funds to reimburse employers come from the funds of individual TANF and SNAP benefits.

Employers are required to provide each JOBS Plus participant with an on-site mentor to acquaint the worker with all facets of the job. Mentors are asked to set up regular meetings with the participant to discuss any concerns or questions. The objective is to ensure the participant is successful in the JOBS Plus employment.

After 30 days in a JOBS Plus work site position, the employer begins paying \$1 per hour, for every hour the participant works, into an Individual Education Account (IEA).

Individual Education Account (IEA)

The Individual Education Account (IEA) improves the position of the JOBS Plus participant in the workforce by increasing their access to continuing education. After obtaining full-time unsubsidized employment for 30 days, the participant or a member of their family may access the funds for continued education and training. The Office of Student Access and Completion (OSAC) administers the IEA accounts.

IEA funds may be used for the cost of books and supplies in addition to lab fees, tests, student body cards, and tuition. ** See Appendix D for data

JOBS Plus Cost Benefit Analysis

The cost benefit analysis is based on a comparison between the JOBS Plus program costs and the JOBS work experience and supported work activity program costs. JOBS Plus program participants are considered employees and are paid for their work in lieu of receiving TANF and SNAP benefits. Work experience and supported work participants are considered volunteers, and are not paid but continue to receive TANF and SNAP benefits.

The cost is calculated using contracted costs, support service costs, and employer reimbursements. The employer reimbursement portion is calculated by using the average starting wage per JOBS Plus participant multiplied by the number of people in the program. The cost-per-participant for JOBS Plus can

vary due to a larger or smaller number of clients using the program annually with a similar funding level from year to year. ** See Appendix C for more data

	Work Experience and Supported Work	JOBS Plus
Cost Per Hour of Participation	\$8.30	\$7.15
Net Cost Per Participant	\$1,399	\$4,146
Percent off TANF	76%	83%
Percent off SNAP	25.8%	29.9%
JOBS Plus Savings	0	\$207,845

Summary

The DHS JOBS Plus program has operated smoothly since its inception in 1994. The cost benefit analysis consistently shows individuals who participate in JOBS Plus have increased outcomes such as obtaining employment experience, getting hired following completion of the program, and moving off the TANF and SNAP programs. Enrollment increased beginning in 2008 based on increased demand, program investments, and on the availability of the American Reinvestment and Recovery Act of 2009 (which helped fund increased demand in JOBS Plus in Fiscal Years 2009 and 2010).

While the JOBS program budget experienced a reduction beginning in 2011-13 biennium, the State continued to invest in JOBS Plus, as it is one key option for TANF participants to obtain real work history and increase their ability to enter unsubsidized employment opportunities.

HB 3535 (2015) included language that provided DHS flexibility to pilot, for a 12-month period, alternative ways to operate the JOBS Plus subsidized employment program in coordination with workforce agencies and stakeholders for the purpose of increasing employment outcomes of participants on the program including youth. The outcomes of the pilot resulted in a permanent training ground for JOBS Plus participants to learn clerical and computer skills at the Office of Payment Accuracy and Recovery (OPAR) and the Direct Pay Unit (DPU), both units of the Department of Human Services.

Due to the recently improved economy and lower caseloads, JOBS Plus usage has dropped considerably. Another contributing factor is that many TANF participants on the lower caseloads are those with the most barriers and not yet ready to seek employment.

JOBS Plus Data and Tables

Appendix A:

JOBS Plus Work Site Placement Information

- Employment and wage outcomes were obtained from the Oregon Employment Department.
- Revisions and new additions to the data tables were implemented due to changes to the Employment Department's PRISM data system, and as an effort to align with WIOA outcome measurements.

JOBS Plus Work Site Placement Information	2017 Report	2016 Report	Change from Previous Year	Source
JOBS Plus Participants	672	1360	-51%	Department of Human Services Data: July 2016 to June 2017
Employment Rate 2 Quarters Out	55%	No data due to systems and measurement change	No data due to systems and measurement change	Employment Department PRISM Data: July 2016 to June 2017
Employment Rate 4 Quarters Out	23%	No data due to systems and measurement change	No data due to systems and measurement change	Employment Department PRISM data: July 2016 to June 2017
Percent of JOBS Plus Exiters in Unsubsidized Employment	34%	No data due to systems and measurement change	No data due to systems and measurement change	Employment Department PRISM data: July 2016 to June 2017
JOBS Plus Participants with Wage Gain 4 Quarters Out	65%	No data due to systems and measurement change	No data due to systems and measurement change	Employment Department PRISM data: July 2016 to June 2017
Median JOBS Plus Earnings 2 Quarters after Exiting JOBS Plus	\$3,241	No data due to systems and measurement change	No data due to systems and measurement change	Employment Department PRISM data: July 2016 to June 2017

Appendix B:

JOBS Plus Enrollment Profile November 1994 to June 2017				
Program Year	UI Claimants	DHS Clients	Total Enrollment	% UI Claimants
Pilot Years (1994-1996)	0	385	385	0
PY 1997 (July 1996 to June 1997)	1263	2204	3467	36%
PY 1998 (July 1997 to June 1998)	2063	1657	3720	55%
PY 1999 (July 1998 to June 1999)	2829	1112	3941	72%
PY 2000 (July 1999 to June 2000)	3124	1077	4201	74%
PY 2001 (July 2000 to June 2001)	2604	670	3274	80%
PY 2002 (July 2001 to June 2002)	1804	366	2170	83%
PY 2003 (July 2002 to June 2003)	2298	121	2419	95%
PY 2004 (July 2003 to June 2004)	1970	229	2199	90%
PY 2005 (July 2004 to June 2005)	1175	350	1525	77%
PY 2006 (July 2005 to June 2006)	0	260	260	0%
PY 2007 (July 2006 to June 2007)	0	303	303	0%
PY 2008 (July 2007 to June 2008)	0	560	560	0%
PY 2009 (July 2008 to June 2009)	0	1115	1115	0%
PY 2010 (July 2009 to June 2010)	0	1230	1230	0%
PY 2011 (July 2010 to June 2011)	0	1240	1240	0%
PY 2012 (July 2011 to June 2012)	0	899	899	0%
PY 2013 (July 2012 to June 2013)	0	926	926	0%
PY 2014 (July 2013 to June 2014)	0	1020	1020	0%
PY 2015 (July 2014 to June 2015)	0	1361	1361	0%
PY 2016 (July 2015 to June 2016)	0	1339	1339	0%
PY 2017 (July 2016 to June 2017)	0	672	672	0%
Total	19130	19096	38226	50%

Appendix C:

JOBS Plus Cost Benefit Analysis for Active Participants - July 2016 to June 2017

The July 2015 – June 2016 program period was used for the comparison in this report to allow sufficient time to identify the impacts related to these program activities. As in previous years, JOBS Plus participants were less likely to be receiving TANF and SNAP benefits than Work Experience and Supported Work participants.

	Work Experience and Supported Work	JOBS Plus
Cost Per Hour of Participation	\$8.30	\$7.15
Net Cost Per Participant	\$1,399	\$4,146
Percent off TANF	76%	83%
Percent off SNAP	25.8%	29.9%
JOBS Plus Savings	0	\$207,845

Type of Activity	Work Experience and Supported Work	JOBS Plus
Active Participants	4,519	592
Contracted Costs	\$4,563,526	\$1,218,199
Support Services	\$1,756,623	\$136,652
Employer Reimbursements	0	\$3,415,447
Less Diverted TANF and SNAP Grants	\$0	\$2,315,904
Net Program Costs	\$6,320,149	\$2,454,394
Net Cost per Participant	\$1,399	\$4,146
Total Hours of Participation	761620	343261
Cost per Hour of Participation	\$8.30	\$7.15
% off TANF	76%	83%
% off SNAP	25.8%	29.9%

¹Based on the average standard TANF grant for a family of three of \$506 and \$472 in SNAP per month for 4.0 average months on JOBS Plus

²Costs associated with program activities do not include case management or administration costs.

Appendix D:

Individual Education Account (IEA)

According to the Office of Student Access and Completion (OSAC), since the program's inception to June 30, 2018:

Individual Education Account	
Number of IEAs	6635
Total dollar value of IEAs	\$4,149,202
IEA average value	\$625
Number of IEAs accessed	3256
Percentage of accounts used	49.1%
Total amount off IEA funds used since the beginning of the program	\$1,721,908

*Note: OSAC has made a change in the way that the IEA usage is calculated.