

Student Subsidized Employment Program (SSEP) Fact Sheet

- The Alabama Department of Human Resources (DHR) and the State Department of Education (SDED) are collaborating to provide time-limited, paid employment to high school students participating in the Career Tech Cooperative Education Program. Stimulus funds provided by the American Recovery and Reinvestment Act of 2009 (ARRA) will cover 80% of the cost of this program until September 30, 2010.
- Students must be 16 through 20 years old and in high school. The student must be a member of a family receiving Family Assistance benefits through the Department of Human Resources or be determined TANF eligible, meaning that the family's monthly gross income falls below 300% of the federal poverty level as shown below.

300% of Federal Poverty Gross Income Chart (for informational purposes only)

Size of Family Unit	Monthly Gross Income	Size of Family Unit*	Monthly Gross Income
1	\$2708	5	\$6448
2	\$3643	6	\$7383
3	\$4578	7	\$8318
4	\$5513	8	\$9253

*For family units with more than 8 members add \$935 monthly for each additional member.

- The student must live with a parent (biological or legal) or with a related caretaker.
- Subsidized employment means jobs for which the employer receives a subsidy from the Department of Human Resources to cover the student's gross wages.
- Employers may not hire a student through this program to fill a vacant employment position if another individual is on strike/layoff from the same or an equivalent job or terminate or reduce the hours of a regular employee to hire a SSEP participant.
- The student must be paid wages by the employer and s/he should receive the same pay and benefits as any other employee who is performing similar work.
- Employers will be reimbursed for 100% of the student's gross wages, including mandatory withholdings such as the student's cost of FICA and taxes but excluding the employer's costs for FICA and other mandatory taxes.
- Workman's Comp must be purchased by the employer if required by law, but is not reimbursable.
- An employer/employee relationship will exist during the subsidy period; therefore, all regulations of the Fair Labor Standards Act of the U.S. Department of Labor will apply.
- All programs of the Department of Human Resources and the Department of Education are administered in accordance with the Civil Rights Act of 1964, the

Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and all other federal and state civil rights laws.

- State DHR may assign a value to an employer's costs for supervising and training of the SSEP employee and use that value as third party in kind contributions in order to meet the Maintenance of Effort (MOE) requirements for the Temporary Assistance for Needy Families (TANF) block grant under certain conditions. The value is assigned pursuant to Federal guidelines and is allowable only if the source of the wages of the employee providing the supervision/training is not Federal and will not be used to satisfy the cost sharing or matching requirement of another Federal program.
- In order for an employer to participate in SSEP, the employer's costs for those individuals who supervise and train the subsidized employee(s) **may not** be paid from federal funds, may not be used as match/cost sharing for federal funds or to meet a federal Maintenance of Effort (MOE) requirement of another program.
- After receipt of a signed SSEP Agreement, SDHR will reimburse the student's gross wages to the employer for the duration of the Cooperative Education placement unless the student quits or is terminated from school or the job placement, graduates or turns age 21. Note: A student's eligibility for SSEP ends the last day of the month prior to the month of his/her 21st birthday. No reimbursement will be made for wages paid after September 30, 2010 unless the program is extended by Congress.
- **When the employer hires the client, s/he must:**
 - Complete the Student Subsidized Employment Program (SSEP) Agreement form and return it to the Co-op teacher-coordinator.
 - Notify the Co-op teacher-coordinator immediately if the student does not start work.
- Employers must pay the wages to the student before requesting reimbursement from DHR. Wages may not be paid in cash.
- **To receive reimbursement for wages paid, the employer should:**
 - Submit a reimbursement form after a pay period.
 - Attach verification of wages paid, i.e., pay stub or other payment record that clearly documents the gross pay, net pay and mandatory withholding.
 - Attach a copy of the W-9 form with the first request for reimbursement form that is submitted to the Alabama State Department of Human Resources (SDHR).
- Requests for reimbursement must be submitted to:
 - State Department of Human Resources
 - ATTN: Family Assistance Division
 - 50 Ripley St.
 - Montgomery AL 36130
 - Fax # 334.242.0513
- Employers may expect to receive reimbursement 10 to 15 business days after an accurate reimbursement request is received by the SDHR.

- Employers must be agreeable to record retention and review by DHR.
- The fiscal agent (DHR) reserves the right to perform periodic audits to review corroborating proof of payment documentation or other compliance data at the employer's work site. Corroborating sources of evidence include, but are not limited to:

Cancelled checks	Electronic references	Time and effort records
Bank statements;	Timesheets	Payroll reports
- The employer will receive notification of termination of the subsidy from SDHR if the student's eligibility for the program terminates before the end of the co-op placement and the student remains employed. The termination notice will be provided to the employer a minimum of 14 days in advance of the termination of the subsidy.
- The employer is encouraged to retain the student after the subsidy period has ended.
- For additional information contact the Department of Human Resources, Family Assistance Division at (334)242-1773 or www.fad@dhr.alabama.gov or the local Career Tech Cooperative Education Program.