



Office of Temporary and Disability Assistance

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Local Commissioners Memorandum

Section 1

Transmittal:	25-LCM-10
To:	Social Services District Commissioners
Issuing Division/Office:	Employment and Income Support Programs
Date:	August 14, 2025
Subject:	2025-2026 Youth Employment Program (YEP) Allocations
Contact Person(s):	Iwona Ostrowska-Sheedy (518) 473-2500 SYEP@otda.ny.gov
Attachments:	Attachment A – 2025-2026 YEP Allocations Attachment B – 2025-2026 NYS YEP District Designation Form

Section 2

I. Purpose

The New York State Fiscal Year 2025-2026 Budget appropriates \$40.6 million in Temporary Assistance for Needy Families (TANF) funds for services and expenses of a Youth Employment Program (YEP). The YEP was initiated on January 1, 2024, to support a reduction in gun involved violence as part of the New York State Gun Involved Violence Elimination (GIVE) initiative and operates in localities in receipt of GIVE funding, as provided by the Division of Criminal Justice Services. The purpose of this Local Commissioners Memorandum (LCM) is to notify those select social services districts (districts) of their 2025-2026 YEP allocation, to provide general program guidance, and to request that each select district inform the Office of Temporary and Disability Assistance (OTDA) of their decision concerning the administration of the 2025-2026 program and the use of their allocation by no later than August 22, 2025. Each district in receipt of YEP funding must ensure its 2025-2026 YEP adheres to the guidelines established in this LCM.

II. Background

The YEP is an important platform which is intended to help reduce community gun violence and youth criminal justice involvement by providing year-round employment opportunities. Research shows that vulnerable at-risk and unemployed youth can face struggles later in life, including poverty, dependence on public assistance programs and criminal justice involvement. In addition, youth exposed to trauma and violence may suffer long-term harmful effects later in life, including barriers to successful employment and financial stability. These funds will continue to support programs which include employment, education and/or career exploration opportunities for TANF-eligible youth. This funding is

further intended to support employment programs for youth at risk of gun violence as part of a statewide gun violence reduction intervention model. If such programs are available in their district, program operators must collaborate with local SNUG Street Outreach Programs, aimed at reducing and preventing community violence. SNUG, which is “guns” spelled backwards, is an evidence-based violence reduction initiative that can help program operators identify at-risk youth and break the cycle of violence. Program operators are also encouraged to collaborate with local law enforcement and other local organizations serving at-risk youth.

The 2025-2026 YEP will serve youth 14 to 20 years of age and will operate from September 1, 2025, to June 30, 2026. Participant enrollments for the months of July and August are expected to be funded through the Summer Youth Employment Program (SYEP) allocation.

III. Program Implications

A. Program Activities and Services

The YEP will provide TANF-eligible youth from low-income households with employment and educational opportunities in conjunction with services provided through the traditional SYEP. Paid employment is an integral component of the YEP program. To augment the work component of the YEP, program operators may include limited educational and/or career exploration activities which will better prepare youth as they continue their education and transition into the workforce. Allowable activities and services for the YEP include work subsidies for youth; supportive services such as transportation; case management; incentive payments; and education and training as set forth below:

- **Program operators electing to offer education and/or career exploration components must limit these non-employment activities to no more than 20% of each program operator’s total 2025-2026 enrollments.** These enrollments may be most appropriate for younger participants and/or individuals with special needs.
- **The remaining program participants, at least 80%, must be engaged in traditional paid employment activities with no more than 30% of hourly participation for these YEP participants in non-employment activities such as career exploration, mentoring outside the workplace, financial literacy, or education.**

Financial Literacy Training is a required component for all YEP participants and must be provided at least annually. One Financial Literacy Training is sufficient for youth participating in both SYEP and YEP as long as one year has not passed. Copies of Financial Literacy Training materials must be submitted to OTDA annually.

All employers in New York State are required to adopt a sexual harassment prevention policy that meets the minimum standards developed by the Department of Labor (DOL) and the Division of Human Rights (DHR). Employers must also implement and provide a model training of their sexual harassment prevention policy to employees annually. Additionally, employers must provide employees with their policy in writing both at the time of hiring and during each annual training. Model sexual harassment policy language and training materials are available at: <https://www.ny.gov/combating-sexual-harassment-workplace/employers/>.

YEP program operators must comply with all New York State DOL Child Labor Laws and adhere to the provisions related to the type of employment and the maximum number of hours youth are permitted to work. More information on the employment of minors is available at the following DOL website: [Hours of Work for Minors | Department of Labor](#).

Districts are encouraged to conduct outreach to YEP participant families to help them access the range of programs and services available in New York State to assist low-income families. Such programs include Public Assistance (PA), Supplemental Nutrition Assistance Program (SNAP), and various tax credits. Information regarding these programs and other resources may be found on OTDA's website at: <https://otda.ny.gov/programs/>. Additional information related to the Earned Income Tax Credit (EITC) and other tax credits is available in [25-INF-02](#). If the district opts to assign all or a portion of their 2025-2026 YEP allocation to their Local Workforce Development Board (LWDB), they should assist program operators with providing this information and resources to YEP participants and their families.

B. Participant Eligibility

Eligible participants are youth ages 14-20 who are:

- Family Assistance (FA) recipients, or
- Former FA recipients who have reached their 60-month limit on TANF and have transitioned to Safety Net Assistance (SNA), or
- Eligible under the TANF 200% of federal poverty guidelines in accordance with [00-LCM-20](#).

Funds for this initiative are targeted to districts receiving project GIVE funding. Priority should be given to TANF-eligible youth from low-income households, referred from their local SNUG organizations.

Districts should continue to make special efforts to ensure participation of at-risk and vulnerable youth including, but not limited to, youth in foster care, homeless and runaway youth, and youth with a disability. The New York State Education Department's ACCES-VR district office locations can be found at the following link: [District Office Locations | Adult Career and Continuing Education Services | NYS Education Department](#). In addition, the Student and Youth Transition Services Statewide Team contact information is available at: [Student and Youth Transition Services | Adult Career and Continuing Education Services | NYS Education Department](#). These important resources can help link youth with disabilities to employment opportunities.

YEP program operators are required to use the TANF Youth Services Application and Review Form ([LDSS-4770](#)) to document eligibility determinations for all YEP participants eligible under TANF 200% of federal poverty guidelines. A modified application may be used by program operators if it captures all the information included on the TANF Youth Services Application. Modified local equivalent applications must be approved by OTDA annually. The 2025-2026 YEP Guidelines (Guidelines), which will include the Performance Goals and Planned Program Details document, and Reporting Requirements, will be emailed to YEP program operators following the release of this LCM, once the District

Designation Form is received. The Guidelines will contain additional information regarding eligibility requirements and the procedure for requesting approval of local equivalent forms. Please note, TANF Youth Services Applications are valid for 12 months following the date of application and should be completed at the time of enrollment in the YEP. For youth participating in both the YEP and the SYEP for a period beyond the initial 12-months, a new TANF Youth Services Application and Review Form must be completed to substantiate TANF 200% of federal poverty eligibility for the successive 12-month period.

C. Allocations

A total of \$40.6 million is available to districts outside of New York City that are in receipt of GIVE funding, as provided by the Division of Criminal Justice Services to support the 2025-2026 YEP. District allocations are provided in Attachment A and are based on each district's share of 12 to 17-year-olds residing in households with income under 200% of the federal poverty level. Districts may opt to retain their allocation and use district mechanisms (i.e., direct administration, district contracts, transfer of funds between county agencies) to operate the program, or they may assign funds to their LWDB to operate the program. It is critical that districts adhere to the Program Activities and Services and the Participant Eligibility requirements provided above, as reimbursement is only available for enrollments that are consistent with these requirements.

Program operators should make a concentrated effort to maximize the number of TANF eligible youth employed by this allocation and limit administrative and program staffing expenditures to those essential to program delivery.

IV. Claiming Instruction and Forms for Districts

The 2025-2026 YEP claims must be for services provided during the period of September 1, 2025, through June 30, 2026. Expenditures for such services must be made by July 31, 2026, and claims for 2025-2026 YEP expenditures must be "Final Accepted" in the Automated Claiming System (ACS) no later than October 31, 2026.

The Assisting Listing Number (ALN), formerly known as the Catalog of Federal Domestic Assistance (CFDA) Number, for the YEP is 93.558. For districts opting to assign all or a portion of their 2025-2026 YEP allocation to LWDBs, districts will be held liable for assigned funds not used in a manner consistent with the purpose of the YEP allocation.

Instances which may result in a payment due to OTDA include overpayments of claims or disallowances of claims resulting from audits performed by OTDA and other agencies. The LWDB will have 30 days from the date of final notification of an audit finding to repay OTDA. If OTDA is not successful in obtaining repayment from the LWDB, the payment will be recouped through a bottom-line adjustment on a district settlement. OTDA will keep the district's accounting office apprised of our attempts to reach a fiscal settlement with the LWDB.

For 2025-2026, YEP payments will consist of three-monthly advances of 15% of the total estimated expenditures, as indicated in the 2025-2026 District Performance Goal Form. The final 55% of the allocation will be paid as claims are submitted to substantiate payment.

Federal regulations define non-administrative (program) and administrative costs as follows:

- Non-Administrative (program) costs are the direct salaries and fringe benefit costs of the staff providing direct services; providing program information to clients; developing employability plans, providing work activities and work subsidies for eligible program participants; providing post-employment services and work supports; and performing case management services. Non-salary costs of staff performing work activities that are considered programmatic are also allowable program costs. Non-salary costs may include, but not be limited to travel, postage, utilities, rental costs, maintenance, supplies, and equipment. Contracts whose main purpose is to provide services defined above as program costs are considered program as well. Agencies should limit the amount of program costs necessary to operate the YEP to maximize the amount of funds available to pay participant wages and the number of youths employed.
- Administrative costs are the salaries, fringe benefits, and non-salary costs of staff performing activities related to eligibility determinations; preparing program plans, budgets, and schedules; monitoring programs and projects; performing procurement activities; providing public relations; performing accounting, legal, payroll and personnel activities; property management; and preparing reports and other documents. OTDA has set a 15% spending limitation on administrative costs.

Consistent with the definition at 45 CFR 260.31(b)(2) and at 45 CFR 286.10(b)(2), work subsidies are payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training. They include all expenditures related to operating a subsidized employment program, including the costs of overseeing the program, developing work sites, and providing training to participants.

Project expenditures for the 2025-2026 YEP must be claimed through the RF-17 claim package for special project claiming in ACS for the month(s) that the expenditures were made. These costs are first identified on the RF-2A claim package as F17 functional costs and reported in the F17 column on the [LDSS-923](#) "Cost Allocation Schedule of Payments Administrative Expenses Other Than Salaries" and the [LDSS-2347](#) "Schedule D DSS Administrative Expenses Allocation and Distribution by Function and Program" (Schedule D). After final accepting the RF-2A, the individual project costs are then reported under the project label "YEP SSD 2025 2026" on the RF-17.

Salaries, fringe benefits, staff counts, and central services costs are directly entered on the [LDSS-4975A](#) "RF17 Worksheet, Distribution of Allocated Costs to Other Reimbursable Programs" while overhead costs are automatically brought over from the RF-2A, Schedule D and distributed based upon the proportion of the number of staff assigned to this project. Employees not working all their time on this project must maintain time studies to support the salary and fringe benefit costs allocated to the program.

Non-salary administrative costs are reported with the appropriate object of expense code(s) on page 1 of the [LDSS-923B](#) "Summary - Administrative Schedule of Payment for Expenses Other Than Salaries for Other Reimbursable Programs."

Any client-related program costs should be reported as object of expense code 19.5 (Work Subsidies for Training) on page 2 of the LDSS-923B "Summary - Program Schedule of Payments for Expenses Other than Salaries for Other Reimbursable Programs."

Total project costs should be reported on the [LDSS-4975](#) “Monthly Statement of Special Project Claims Federal and State Aid (RF17)” as 100% federal share. Actual reimbursement will be based upon each district’s allocation net of their LWDB allocation.

Administrative costs may be claimed up to 15% of the amount allocated to your district for the 2025-2026 YEP. Any administrative costs in excess of the 15% limit should be claimed on the RF-2A, [LDSS-2347-B1](#) “Schedule D-3 Allocation and Claiming of Administrative Costs for Employment Programs” (Schedule D-3).

Additional instructions for completing time studies; the [LDSS-923](#); [LDSS-923B](#) and [Schedule D](#); [Schedule D-3](#); and RF17 claim package can be found in Chapters 4, 7, 10 and 18, respectively, of the Fiscal Reference Manual (FRM) Volume 3. The FRMs are available on the OTDA website at: <https://intranet.otda.ny.gov/bfdm/finance/>.

Claiming Contacts:

Claiming Questions (ROS): Justin Gross, (518) 474-7549 or via email at: otda.sm.Field_Ops.I-IV@otda.ny.gov

V. Necessary Action

Each district, eligible to receive YEP funding, must complete the 2025-2026 YEP District Designation Form (Attachment B) to indicate if YEP funds will be retained by the district or assigned to the LWDB. Please email the completed Designation Form to Iwona Ostrowska-Sheedy at SYEP@otda.ny.gov by August 22, 2025. Forms not received timely will result in delayed remittance of advances.

For those districts opting to assign funds to the LWDB, the appropriate LWDB will be notified of the amount of funds available to serve eligible participants from each respective county within their Local Workforce Development Board. The LWDBs that operate the 2025-2026 YEP will receive program guidelines, including the necessary claim forms and claiming instructions, via email once the District Designation Form is received.

Issued By:

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Division/Office: Employment and Income Support Programs/Office of Temporary and Disability Assistance