

Date: April 26, 2012
Sequence: 2012-15
Topic: Cost Associated with County Lay-off of staff

In April 2011, ODJFS established an automated process by which county agencies could submit requests for approval to claim federal financial participation (FFP) for mass/abnormal severance pay costs associated with a lay-off. ODJFS submitted these requests to our cognizant agency, the Department of Health and Human Services (DHHS) and was successful in obtaining approval for the claims. These claims were requested for SFY 2012. (Please review BCFTA Update 2011- 20 and BCFTA Update 2011-20A for details.)

BCFTA will again provide county agencies with an opportunity to submit estimates of costs associated with possible lay-offs in SFY13 (July 1, 2012 – June 30, 2013). County agencies that foresee the possibility of a reduction in their workforce and are interested in claiming Federal Financial Participation (FFP) for the costs associated with layoffs (to include payout of unused leave and the estimated costs of unemployment benefits) should submit this information through the process described below.

ODJFS will compile these estimates and on the county's behalf will submit a request to DHHS for approval to claim FFP for these abnormal severance costs.

Please remember that the costs associated with a lay-off are different than the costs associated with an early retirement incentive plan where staff is offered an incentive to leave government service early. Request for approval to claim costs associated with incentive plans must follow the requirements stated in the Fiscal Administrative Procedure Letter (FAPL No. 34 Abnormal or Mass Severance Pay).

The submittal of this estimate does not represent a commitment on the part of the county agency; the estimate only provides an effective means to request approval to claim costs associated with a lay-off should the county find itself in these circumstances. If your county submitted a request to claim for SFY12 and did not actually incur those costs, but plan to lay-off staff in SFY13, please indicate that information on the survey so that we may inform DHHS that this is a duplicate request.

The information will be gathered via Survey Monkey and the site will be available **beginning April 27th through COB May 25th**. County agencies may access the "County Agency Lay-off Survey 2013" through the following link:

<http://www.surveymonkey.com/s/RKNR538>

Please contact your ODJFS Fiscal Analyst if you have any questions regarding this update or retirement incentive plans.