

SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM

Wages, Fringe Benefits, and Work Conditions

Summary

This policy ensures that Senior Community Service Employment Program (SCSEP) providers pay participants correctly and maintain safe, healthy community service worksites. Providers must follow all federal and state requirements related to wages, benefits, and workplace conditions. Participants must be paid at least the highest applicable minimum wage — whether that is the state or federal rate. They must also receive all legally required fringe benefits, including Social Security and Workers' Compensation.

Relevant Laws, Rules, or Policies

Older Americans Act (OAA) (Public Law 109–365)

[20 Code of Federal Regulations \(CFR\) 641](#)

Effective Date

7/1/2004

Last Updated

6/12/2026

Contact

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Policy

SCSEP providers must pay participants the highest wage required by law for all hours spent in orientation, training, receiving career services, and performing community service assignments. This wage must meet or exceed the applicable federal, state, or local minimum wage rate. In Minnesota, the state minimum wage applies because it exceeds the federal minimum wage.

Providers must ensure that participants receive all fringe benefits required by law. Providers may offer limited additional benefits such as Workers' Compensation, Unemployment Insurance (where required), physical examinations, employer-designated federal holidays, and necessary sick leave not part of an accumulated leave program. All benefits must comply with the federal cost principles outlined in the Office of Management and Budget Circulars and must be provided uniformly to all participants.

Grant funds shall not be used for pension payments, annual or sick leave, bonuses, or contributions to any retirement plan or system on behalf of participants.

Providers must promptly investigate and follow up on any report of unsafe or unhealthy working conditions at a participant worksite.

Related Links

[State Minimum Wage](#)

[OAA Sec. 502\(c\)\(6\)\(A\)\(i\)](#)
[20 CFR 641.565\(b\)\(2\)\(3\)](#)
[2 CFR Part 200 Subpart E](#)