



Promising Practices - Diversionary Work Programs

Background:

On February 17, 2009, the President signed the American Recovery and Reinvestment Act of 2009 (Recovery Act), which establishes the Emergency Contingency Fund for State TANF Programs (Emergency Fund). This legislation provides up to \$5 billion to help States, Territories, and Tribes in fiscal year (FY) 2009 and FY 2010 that have an increase in assistance caseloads and basic assistance expenditures, or in expenditures related to short-term benefits or subsidized employment.

Consistent with the definition at 45 CFR 260.31(b)(1) and 45 CFR 286.10(b)(1), non-recurrent short-term benefits means benefits designed to deal with a specific crisis situation or episode of need, that are not intended to meet recurrent or ongoing needs, and that will not extend beyond four months. This is the same definition that the ACF-196 (line 6g) uses.

Note that these benefits include those provided directly to a family and those paid to others on behalf of the family, such as a payment to a landlord. Both families receiving other forms of "assistance" and families that do not otherwise receive ongoing assistance may receive non-recurrent short-term benefits.

These non-recurrent short-term benefits are also referred to as diversionary work programs. Some Diversion Programs offer a one time emergency grant to meet short-term and immediate needs. Other diversion programs offer immediate employment support. Since the implementation of TANF all but three states have implemented at least one diversion strategy. The following outlines three promising practices that States and localities have employed to effectively meet the immediate needs of work-ready TANF applicants.

Programs:

Shift Program, Atlanta Hospitality Group Unlimited, Inc., Atlanta Georgia (www.ahgu.net)-- Shift represents a successful partnership of the Atlanta Hospitality Group Unlimited, Inc., working with the Fulton County Division of Family and Children Services (DFCS) office to divert Atlanta's primarily female, African-American TANF applicant population from cash assistance. Shift helps individuals with recent work experience find, obtain, and maintain employment by offering a variety of services, such as employment training, help with resumes, supervised job search, and job coaching. The Shift program represents a new approach to TANF service delivery by promoting a highly professional

atmosphere and consistently work-focused mentality. The program also offers key supportive services ranging from job readiness training, work clothes, job coaching, and follow-up mentoring. As an example of the intense work focus of the program, Shift uses a biometric clock to hold clients responsible for their time. Another strong aspect of the program is that rather than pushing a client into a career path, the Shift program lets women find their own directions and encourages them to leave their neighborhoods and attain the highest wage possible. As a result, the program has a placement rate of approximately 75 percent, with clients finding jobs at an average hourly wage of \$7.50-\$13.

Job Ready State Diversion Program, Denver Human Services, Division of Workforce Development (DHS/DWD), Denver, Colorado-- The Job Ready State Diversion Program provides job-ready individuals with short-term, non-recurrent cash assistance for their immediate needs and other supportive services to become employed or remain employed without having to enter the TANF program. The goal of the program is to provide participants with a strategic alternative to ongoing basic cash assistance. Although it is a voluntary program, job-ready TANF applicants are strongly encouraged to consider diversion versus going on long-term cash assistance. Many applicants are in need of short-term cash assistance to stabilize them and prevent them from having to enter into the TANF program. During the first six months, DHS/DWD found that about seven percent of Denver TANF applicants were referred for diversion. Of these applicants, 77 percent were authorized for diversion with an average diversion payment of \$933.64. They also found that the recidivism rate for diversion participants was much lower at ten percent compared to 19 percent for all TANF applicants.

Diversionary Work Program (DWP), Hennepin County Human Services and Public Health Department, Minneapolis, Minnesota -- The DWP provides front-end employment services designed to move participants directly to work and divert families from applying for the Minnesota Family Investment Program (MFIP), the State Temporary Assistance for Needy Families (TANF) program. Approximately half of the families that apply for cash assistance participate in DWP. The primary goal of DWP is to provide short-term benefits and intensive work supports to increase families' self-sufficiency. Additionally, DWP looks to quickly identify and address barriers that may hinder a participant's job prospects. Parents are expected to develop and sign an employment plan prior to program acceptance. After the plan has been signed, they receive financial assistance as well as other supports such as Food Stamps, child care, health care, and all the benefits they would have been entitled to under MFIP. A family can receive DWP for at most four months over a twelve month period. These four months do not count toward the 60-month TANF lifetime limit. Following the four months, if a family

has not secured employment, they have to apply to be transferred to MFIP. Participants unlikely to benefit from DWP are referred to MFIP and their grant award is adjusted accordingly.

Work Pays Earned Income Disregard, Illinois Department of Human Services, Illinois -- The earned income disregard program started in 1998, and by initiating a pre-eligibility test, clients receive a family assessment to determine TANF eligibility. Once deemed eligible, families participate in the diversion program for 30 days and are required to conduct a job search by contacting 10 to 20 employers. During this time, an ongoing assessment/observation is conducted to help implement other programs that may assist the client with maintaining stable employment. Within six months of initiating the program, TANF enrollment decreased 18 percent. The federal work participation rate for Illinois in June 2004 was 51.6 percent with 6,319 participants. By June 2005, the work participation rate had increased to 57.5 percent, a 6 percent increase.¹ A key to the success of the program is that clients and workers must believe that every person can go to work. Applicants must demonstrate that they are willing to help themselves.

Pre-TANF Program, Oregon Department of Human Services, Oregon² - Oregon operates a pre-TANF program within the application process for TANF applicants. The application process lasts up to 45 days where case managers can offer applicants childcare, transportation, and emergency work support assistance while they are looking for employment, and if they are able to secure employment. Applicants must go through a screening process that assesses barriers to work as well as immediate needs. Applicants are assigned to work activities during the 45 day application process, which promotes immediate engagement in TANF activities if they enter the TANF caseload. If applicants are deemed to be work-ready, they attend a daily job search workshop and are required to make contact with employers. Applicants that are not-work ready attend life skills workshops and work with job coaches to improve problem solving and communication skills.

¹ *Diversion and Immediate Employment*. (July 2005). Improving Performance and Participation in Large Urban Centers Presentation. http://www.peerta.acf.hhs.gov/pdf/big_five_final_report.pdf.

²http://www.acf.hhs.gov/programs/opre/welfare_employ/identify_promise_tanf/reports/tanf_diversion/tanf_diversion.pdf