



**Administration for Children and Families
Office of Family Assistance
Regions I, II, and III**

TANF at 15: Where Do We Go From Here?

2011 Tri-Regional TANF Directors' Meeting

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Summary Report



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James Butler, Federal Project Officer
Louisa Jones, Project Manager
Damon Waters, Task Lead

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Introduction

In 1996, the Temporary Assistance for Needy Families (TANF) Program was created through the Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA), dramatically changing the social welfare system in the United States. The implementation of the TANF program at the State, Territory, and local levels brought about significant decreases in the number of low-income families receiving public welfare from approximately 4,543,397 cases in 1996 to 1,889,871 families in 2011.¹ Since the onset of the Great Recession in 2007, the United States has struggled with national unemployment rates that have stagnated at 9.0 percent.² Given this difficult economic climate, TANF remains an important part of the safety net for low-income families and children, yet TANF agencies are being charged to do more with less. In response to this need, the Department of Health and Human Services (HHS), Administration for Children and Families (ACF), Office of Family Assistance (OFA) Regions I, II, and III convened the *TANF at 15: Where Do We Go from Here? – 2011 Tri-Regional TANF Directors' Meeting* in Providence, Rhode Island to provide State and Territory TANF directors with the opportunity to engage in strategic dialogue in order to identify innovative practices and partnerships that better support America's children and families during these challenging times.³ This report summarizes key highlights from the *TANF at 15 Directors' Meeting*.

Opening Session

Ms. Carol Monteiro, TANF Program Manager, OFA Region I, Ms. Mary-Ann Higgins, Regional Administrator, ACF Region I, and Ms. Sandra Powell, Director, Rhode Island Department of Human Services, welcomed attendees to the *TANF at 15: Where Do We Go from Here? – 2011 Tri-Regional TANF Directors' Meeting*. The meeting was designed to provide an opportunity to share best practices, improve collaboration among stakeholders, and provide attendees with practical strategies for improving program outcomes. The meeting focused on “doing more with less” and provided practical, innovative solutions and strategies for universal challenges and difficulties faced by TANF programs.

Open Forum: TANF National Perspectives and Priorities

Since 1996, the TANF program has been the primary short-term cash assistance and employment program for low-income individuals. The United States Congress has extended the TANF program through December 31, 2011⁴ at the current funding levels and with the current program requirements. To begin the meeting, Dr. Earl Johnson, Director of OFA, and Mr. Mark Greenberg, Deputy Assistant Secretary for Policy at ACF convened a discussion on flexibility, differential metrics, and technical assistance ideas for making the TANF program more responsive to its clientele. State representatives from Maryland, New Hampshire, and New York also participated in the discussion which included topics such as how States can increase engagement of TANF participants in work or work activities during these hard economic times; and policy and program implications for State engagement of clients.

¹ United States Department of Health and Human Services, Administration for Children and Families. (2011, August 10). *Data and reports*. Retrieved January 23, 2012, from Office of Family Assistance: <http://www.acf.hhs.gov/programs/ofa/data-reports/index.htm>

² United States Department of Labor, Bureau of Labor Statistics. (2012, January 6). *Economic news release*. Retrieved January 23, 2012, from Bureau of Labor Statistics: <http://www.bls.gov/news.release/empsit.nr0.htm>

³ Twenty-six State and Territorial attendees participated in this technical assistance activity which was held in Providence, Rhode Island on November 1-3, 2011. For detailed information on the themes of the activity and attendees, please see Appendix A (Agenda) and Appendix B (Participant List). Additionally, presentations from this meeting are available on the Welfare Peer Technical Assistance Network at peerta.acf.hhs.gov.

⁴ Since the time of this meeting, the United States Congress has extended the TANF program once again through February 29, 2012. More information can be accessed here: http://www.clasp.org/federal_policy/pages?id=0021

As the economic recovery continues to impact the employment outcomes for low-income families and programs serving the economic self-sufficiency needs of low-income families, ACF has been seeking to identify areas where Federal requirements around client engagement, employment placement, and work verification interfere with program outcomes. In addition, ACF has been considering where modifications can be made to current TANF policy to improve its effectiveness in meeting the needs of lower skilled and lower income individuals. During spring and summer 2011, ACF sponsored a series of teleconferences with all 50 States, many Tribes, and most Territories to discuss Administrative Flexibility in response to a Presidential Memorandum on Administrative Flexibility.⁵ To continue the conversations which began during the Regions I, II, and III Administrative Flexibility conference calls, Mr. Greenberg and Dr. Johnson sought feedback from meeting attendees not only on administrative flexibility, but on how the Administration and States can prepare for TANF reauthorization. ACF is working with States to generate practical research, provide helpful technical assistance, and to determine how administrative flexibility can improve programs and how ACF can support this flexibility.

ACF has compiled feedback from the Administrative Flexibility conference calls, as well as from emails that were submitted by States and Territories. Notable feedback included the following:

- Work Participation Rate (WPR): States would like opportunities to use State judgment on activities for engagement, including the ability to count barrier removal activities and activities for people with disabilities towards the WPR, as well as providing broader access to education and training as a viable activity.
- Issues with work verification requirements: States submitted ideas for tracking work verification.
- The relationship between the WPR structure and the rules of the program: ACF understands that the WPR is a measure of engagement and could be improved; however, the ultimate goal of TANF cannot only be a high WPR, but about strategies for access to better jobs. It is difficult for States and Territories to maintain focus on providing opportunities and services that enable clients to obtain and retain better jobs and increase self-sufficiency when the WPR is so important to the Federal government. .
- Collaboration with the US Departments of Labor (DOL) and Education (ED): TANF is a vital part of the workforce system, and it is important that TANF not only strengthen its participation in the workforce development system, but also be an active and vocal participant in the development of seamless and streamlined workforce development strategies focused on TANF participants. Once TANF becomes a more active participant in the workforce development system, it can influence the development of policy and practice for the workforce system to focus on low-income families. In ACF's research agenda, DOL and ED are close partners and ACF is working closely with these departments on connecting people to jobs in healthcare, research in subsidized employment, and TANF-Workforce Investment Act (WIA) coordination efforts.

Mr. Greenberg and Dr. Johnson encouraged States to share their thoughts about their strengths and strategies, opportunities for improvement, and where they would like help at the Federal level. The feedback will assist ACF in preparing for TANF reauthorization and ensure that each State and Territory is uniquely represented. To assist with this discussion, the representatives from New Hampshire, New York, and Maryland discussed reporting requirements, TANF program performance metrics, and technical assistance.

⁵ The White House, Office of the Press Secretary (2011, February 28). *Presidential memorandum: Administrative flexibility*. Retrieved January 23, 2012 from the White House: <http://www.whitehouse.gov/the-press-office/2011/02/28/presidential-memorandum-administrative-flexibility>

Topic One: New Reporting Requirements under the Claims Resolution Act of 2010⁶

The Claims Resolution Act of 2010 required States to report on the activities of work-eligible individuals in their caseloads. On February 14, 2011, the Department of Health and Human Services issued Program Instruction TANF-ACF-PI-2011-03 and a new reporting form, Form ACF-812, the “Report on Engagement in Additional Work Activities for Families Receiving Assistance under the TANF and SSP-MOE Programs,” (ACF-812)⁷ to implement the work participation-related data collection requirements of the Claims Resolution Act of 2010.⁸ Ms. Lynn Wilder from the New Hampshire Department of Health and Human Services, Division of Family Assistance discussed the new reporting requirements and ACF-812 data.

Under the Claims Resolution Act, two new reporting requirements emerged: participation information for work-eligible individuals who did not count towards the WPR; and TANF spending for other non-assistance and authorized under prior law. The March 2011 Report to Congress⁹ has been released and data shows that in March 2011, there were 1,276,633 work-eligible individuals in 1.9 million families:

- 23.6 percent, or 301,285, work eligible individuals met the WPR;
- 52.3 percent, or 668,181, work eligible individuals had zero hours of participation; and
- The remainder of work eligible individuals, 307,167 (15.3 percent), had hours that were in countable or non-countable activities but not sufficient to meet the WPR.

There were 15 reasons a work eligible individual could have zero hours of participation, and the top five reasons are:

- 19.5 percent were in the process of being sanctioned;
- 15.2 percent failed to engage;
- 13.6 percent fell under the “other” category, which was State defined;
- 13.3 percent were disregarded from the WPR; and
- 12.3 percent were State exempt due to disability or illness.

In terms of insufficient hours/activities, nearly half of those with insufficient hours were in an employment activity. The report indicates that a large number of clients are employed part-time, may have varying schedules, or work only part of the month as they cycle on and off TAN. Job search/job readiness hours accounted for 18 percent of the hours that were insufficient. Many States do not report any hours in this activity if the work eligible individual does not meet WPR due to statutory limits. Based on the March 2011 Report, there appears to be a number of differences in how States report this data. Data reporting for this population could be standardized across States, and from a technical

⁶ This presentation is available on the Welfare Peer Technical Assistance Network at:

http://www.peerta.acf.hhs.gov/uploadedFiles/TANF%20Director%27s%20Meeting_Lynn%20Wilder%20PPT%20508.pdf

⁷ The ACF-812 can be accessed here: http://www.acf.hhs.gov/programs/ofa/policy/pi-ofa/2011/pi201103/pi201103_instructions_acf-812.pdf

⁸ United States Department of Health and Human Services, Administration for Children and Families. (2011, March). *Engagement in additional work activities and expenditures for other benefits and services, March 2011: A TANF report to Congress*. Retrieved January 23, 2011, from Office of Family Assistance: http://www.acf.hhs.gov/programs/ofa/data-reports/cra-report-to-congress/cra_report-to-congress.html

⁹ United States Department of Health and Human Services, Administration for Children and Families. (2011, March). *Engagement in additional work activities and expenditures for other benefits and services, March 2011: A TANF report to Congress*. Retrieved January 23, 2011, from Office of Family Assistance: http://www.acf.hhs.gov/programs/ofa/data-reports/cra-report-to-congress/cra_report-to-congress.html

assistance perspective, ACF could provide suggested definitions, guidelines, or recommendations for standardizing this data and common ways to categorize this information, increasing the usefulness of the information for analysis purposes because the more specific the definition of the data, the better the outcome.

During the discussion, meeting attendees asked questions about ACF-812 reporting, specifically, if States found it helpful in doing their own data analyses. State attendees agreed that it was very helpful in pointing them towards interventions and in making decisions on what things need to be done differently. The ACF-812 also allowed States to effectively capture and quantify what they already knew was going on in the caseload. It is important to emphasize reporting and metrics, institutionalizing a culture where measuring performance and rewarding successes are valuable.

Topic Two: TANF Program Performance Metrics

Ms. Barbara Guinn, Director, New York Office of Temporary and Disability Assistance, Center for Employment and Economic Supports discussed the importance of performance metrics, the establishment of which help maintain focus on the actions that lead to more positive outcomes. Metrics are important in the public sector because they enable State programs to demonstrate whether targets are being met, help to capture and quantify value of the work being done, and provide a foundation for making decisions regarding additional resource investments. Metrics also enable State TANF programs to identify areas for improvement; provide an

opportunity for State leadership to do things that encourage positive behaviors; reward high quality programs; and discourage and possibly eliminate poor performance. When considering performance metrics, States should ensure that the goals allow leadership to see where the program is exceling and where there is room for improvement. The metrics should also be connected to the four purposes of TANF (See Figure 1).

Figure 1. Four Purposes of TANF

1. Assisting needy families so that children can be cared for in their own homes.
2. Reducing the dependency of needy parents by promoting job preparation, work and marriage.
3. Preventing out-of-wedlock pregnancies.
4. Encouraging the formation and maintenance of two-parent families.

Topic Three: Technical Assistance¹⁰

Ms. Rosemary Malone, Executive Director, Family Investment Administration, Maryland Department of Human Resources discussed the types of technical assistance that States have access to and how States can use this assistance more effectively. The OFA Regional offices and OFA Central Office provide technical assistance using a collaborative, timely, and productive approach, and are available to answer questions regarding program regulations, requirements, and reporting. OFA also sponsors the Welfare Peer Technical Assistance Network (Welfare Peer TA), a technical assistance initiative that facilitates the sharing of information between and among States, counties, localities, Tribal organizations, and community-based organizations working with TANF families.¹¹ Welfare Peer TA is very helpful to States, and offers them the opportunity to work with and learn from other States.

Other technical assistance opportunities include national conferences such as the ACF, Office of Planning, Research and Evaluation (OPRE) Welfare Research and Evaluation Conference (WREC), which provides a knowledge sharing

¹⁰ This presentation is available on the Welfare Peer Technical Assistance Network at: <http://www.peerta.acf.hhs.gov/uploadedFiles/RMalone%20slides%20for%20TANF%20directors%20mtg%2C%20Tech%20Asst%20508.pdf>

¹¹ The Welfare Peer Technical Assistance Network Web site can be accessed here: <http://www.peerta.acf.hhs.gov/>

opportunity for States. The body of work provided by OPRE is extremely helpful to States, and sponsored projects such as the Self-Sufficiency Research Clearinghouse (SSRC), when it is completed, will provide an excellent platform for sharing and learning. By using these resources and requesting technical assistance to improve capacity, States can begin to rebuild what has been lost due to the economic climate.

State Discussion and Recommendations for TANF Reauthorization

After the discussions of the previous three topics, meeting attendees shared their reactions and thoughts about what they had heard. A key theme that emerged involved subsidized employment as State attendees agreed that the success of subsidized employment programs developed out of the American Recovery and Reinvestment Act (ARRA) was due to both the dollars provided to the employers and the strategies used to connect families to the workforce system. The additional funding provided by the Emergency Contingency Fund supported improved collaboration and communication between programs and employers and as a result States saw tremendous success placing thousands of individuals into subsidized employment positions.

Other State comments and recommendations for TANF reauthorization focused on topics such as streamlining processes, improving work verification requirements, and receiving partial credit towards the WPR for disabled populations that can work part-time. State attendees would like to receive technical assistance and guidance on the Workforce Innovation Fund,¹² as well as the opportunity to learn what other States are doing with the ACF-812¹³ data.

TANF/SSI Disability Transition Project

The TANF caseload includes low-income individuals with physical, mental, and emotional barriers, which sometimes prevent an individual from achieving higher levels of economic self-sufficiency; the challenges of moving many of these individuals into self-sufficiency may limit TANF programs from meeting Federal performance requirements. During this session, meeting attendees received an overview of the Supplemental Security Income (SSI) program, which provides additional federal resources to this population. Attendees also learned about the TANF/SSI Disability Transition Project, an ongoing research effort that looks at the overlap between the two programs and is piloting ways to improve their interaction.

Figure 2. SSI Eligibility Requirements

- Be age 65, blind, or disabled AND
- Be a citizen or a qualified alien AND
- Be a resident of the U.S., D.C., and Northern Marianas AND
- Have income and resources that do not exceed federal guidelines AND
- File an application.

¹² More information on the Workforce Innovation Fund can be accessed on the Department of Labor Website: http://www.doleta.gov/workforce_innovation/

¹³ Section 812 of the Claims Resolution Act of 2010 requires each State to submit a 'Report on Engagement in Additional Work Activities.' The report must be submitted for two reporting periods. The first reporting period is from March 1 through March 31, 2011 and the reports are due no later than May 31, 2011. The second reporting period is from April 1 through June 30, 2011 and the reports are due no later than August 31, 2011. For each work-eligible individual (WEI) in a family receiving Temporary Assistance to Needy Families (TANF) cash assistance during the reporting period, States must collect and report the following information: (1) whether the individual engaged in any activities that are directed toward attaining self-sufficiency and (2) if yes, the specific activities that (a) do not qualify as a countable work activity, but are otherwise reasonably calculated to help the family move to self-sufficiency or (b) that could be a countable work activity, but for the fact that either the WEI has not engaged in such activities for a sufficient number of hours; the WEI has reached a maximum time limit allowed for having participation in the activity count; or the number of WEIs engaged in such activity exceeds a statutory limitation.

SSI Program Overview¹⁴

Mr. Stephen Richardson, Deputy Regional Communications Director for the Social Security Administration (SSA), Boston Region provided an overview of the process of applying for SSI benefits and the elements necessary to process an application. SSI is a needs-based cash assistance program funded and administered by the Federal Government. SSI includes applicant resource limits and program eligibility (see Figure 2) is needs-based. Generally, SSI pays benefits to disabled children living in households with limited income and resources; the resource limits for households of disabled children are slightly higher than those for adults. If a person is not eligible for SSI based on their resource limits, they are screened for Social Security Disability Insurance (SSDI) eligibility.

After an SSI application is received, it is turned over to Disability Determination Services (DDS). DDS is funded by SSA but is State administered and run by State employees. SSI eligibility is determined by information in medical records and the DDS Blue Book.¹⁵ DDS processes the applications for the program and contacts medical providers to obtain medical records of applicants; DDS may ask for additional information about how the condition affects daily activities (see Figure 3). DDS works with applicants and medical providers to determine how to proceed with the application and works with the applicant and medical provider to collect as much information on the individual as possible. If adequate information is available in existing records, DDS will make an eligibility determination, but if more information is needed about the disabling condition, DDS may schedule a consultative examination with the applicant. If an individual is deemed eligible for SSI, they also qualify for Medicaid and must file for all benefits for which they are eligible.

Figure 3. Disability for an Adult

- Must have a physical or mental impairment (or combination of conditions)
- Inability to perform substantial work activity
- Disability must be expected to last 12 consecutive months or result in death
- For blindness – 20/200 or worse corrected vision in the better eye or tunnel vision (angle of vision 20 degrees or less)
- DDS considers age, education and past work activity

SSA provides several work incentive programs aimed at moving people away from benefits towards self-sufficiency. These programs are outlined in the SSA Red Book, including information on earned income disregards. The Plan for Achieving Self Support (PASS) program allows individuals to set aside income or other resources to pay for things they need to achieve a work goal. The Property Essential to Self-Support (PESS) program allows for the total or partial exclusion of property needed for self-support under certain conditions. Training on work incentive programs is available in every State.

TANF/SSI Disability Transition Project (TSDTP)¹⁶

In collaboration with SSA, OFA and OPRE, and State and county TANF programs, the TANF/SSI Disability Transition Project examines connections and overlap between TANF, SSI, and services for TANF participants with disabilities. The project also aims to provide insight into what can be done for individuals who are not easily categorized as either TANF or SSI. Prior research indicates that many TANF participants have disabilities with 18 percent of TANF

¹⁴ This presentation is available on the Welfare Peer Technical Assistance Network at:

<http://peerta.acf.hhs.gov/uploadedFiles/SSI%20OverviewPPT%20508.pdf>.

¹⁵ The Disability Blue Book can be accessed on the Social Security Administration Web site at:

<http://www.ssa.gov/disability/professionals/bluebook/>

¹⁶ This presentation is available on the Welfare Peer Technical Assistance Network at:

<http://peerta.acf.hhs.gov/uploadedFiles/SSI-TANF%20Disability%20Project%20PPT.pdf>.

households including an SSI recipient. Rates of employment among TANF adults with disabilities are very low and often there is confusion about participation in work and SSI eligibility.

Mr. Matthew Borus, Presidential Management Fellow for Family Self-Sufficiency Research Dissemination at OPRE, provided background on the project, which will occur in two or three phases:

- Phase One: Data analysis and program evaluation to support or reject hypotheses about the TANF and SSI connection.
- Phase Two: Pilot Testing-Monitoring and Evaluation of three pilot sites.
- Possible Phase Three: National demonstration with rigorous evaluation depending on pilot results.

Phase One Highlights

Supporting Disabled Participants is a Struggle. During Phase One of the project, researchers have been observing TANF programs and have found that many agencies struggle to support participants with disabilities because there is increased focus on meeting WPR requirements. There seems to be an increased emphasis on employing individuals with fewer barriers in order to achieve a higher WPR. This focus has the unintended consequence of incentivizing TANF agencies to exempt or ignore individuals who are harder to employ in order to maintain higher WPR numbers. Even though many agencies emphasize SSI advocacy with disabled participants, they report low rates of SSI acceptance. As a result, program participants with disabilities have fewer support options and are still faced with TANF time-limits, often with limited transitional support, and little potential for success.

Obtaining Services despite Lack of Program Coordination. A major observation from Phase One is that TANF connections with SSA field offices and DDS tend to occur at the individual case and worker level rather than through more systematic, coordinated efforts. This ad hoc approach to coordination may pose processing challenges and reduce uniformity across programs, across workers, and across departments within agencies. Nonetheless, all of the TANF programs that were observed in Phase One of the project provided some help to TANF participants applying for SSI, although some contracted with an outside organization for SSI advocacy.

Simultaneous Application to TANF and SSI. Mr. David Butler, Principal Investigator for the TANF/SSI Disability Transition Project provided some preliminary findings from Phase One of the project. For each State involved in the project there has been extensive data matching at the State and County levels. Historically there has been the belief that there are tremendous overlaps in the clientele of TANF and SSI, but according to the preliminary results of the study many of the concerns about overlap between TANF and SSI were not supported by the data. According to the research between six and eight percent of TANF participants have an active SSI application and this was similar to results that were found in an analysis of TANF participants in 2006 that showed that 78 percent had not applied for SSI between 1999 and 2008. Studies have shown that SSI applications tend to peak nearly simultaneously with the first month of TANF receipt, indicating that people tend to apply for both programs at the same time. Conversely, only seven percent of the Adult SSI caseload has received TANF at least one month during the year. This suggests that individuals are looking for some program to meet their needs, and will likely utilize the program that accepts them first. This tendency toward simultaneous application suggests opportunities for coordinating services for TANF and SSI applicants.

Discussion

Following the presentations, attendees had the opportunity to engage with the speakers in a discussion on the intersection between TANF and SSI. Attendees noted that it is a commonly held belief that an SSI applicant needs a

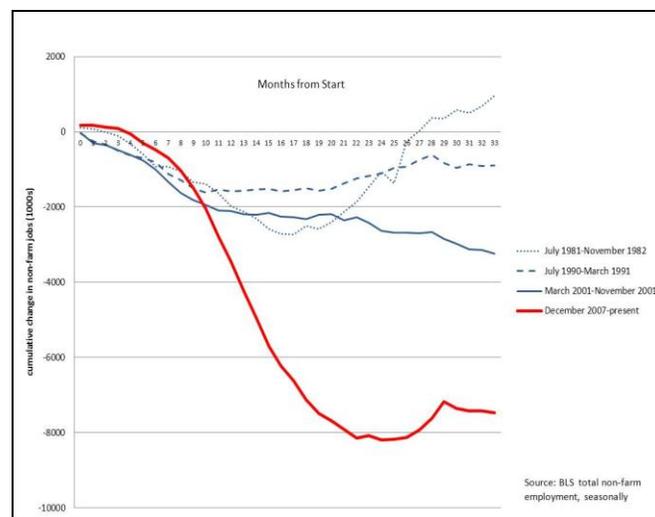
counselor or advocate in order to successfully apply for benefits. The presenters agreed that these third-party representatives have become prevalent in the last three years, but were not sure about the existence of data indicating applicant approval success with or without the benefit of advocates.

Individuals with mental health barriers are more likely to be denied for SSI because it is difficult to provide documentation and often co-occurs with substance abuse. In reflecting on the 62 percent of applications that are approved after an appeal, it is likely that either they were able to gather additional documentation or they are suffering from a degenerative illness that had gotten worse since initial application. The site being studied for the TANF/SSI Disability Transition Project in Los Angeles, California will focus on identifying the components necessary for a successful SSI application so the information and application components can be collected up-front. It was also mentioned that having a good working relationship with DDS is helpful in determining what is missing from a SSI application.

Plenary: Low-Income Families, Labor Market Participation, and the Great Recession¹⁷

While the current recession, coined the Great Recession, has caused serious challenges across the socioeconomic spectrum, low-income and working families have borne a disproportionate share of the burden. Whether through rising unemployment or continued skill gaps, the US economy continues to face significant challenges. During this plenary, Dr. Pamela Loprest, Director, Income and Benefits Policy Center, The Urban Institute, provided attendees with a macro-level review of the economy, the labor force, and the impact of the economic recession and jobless recovery on low-income workers.

Figure 4. Path of Recovery Slow versus Recent Recessions



According to research conducted by The Urban Institute, the national unemployment rate as of March 2012 is at 8.2 percent. The path to recovery is slow, especially compared to recent recessions; 33 months into the recession there is still a large hole in the labor market and job growth has been lagging (see Figure 5). Additionally, the number of unemployed individuals per number of job openings is extremely high (4.4 as of July 2011). Within this context, underemployment, which refers to those people who are working part-time due to economic reasons, is also a major issue. Currently, over 15 percent of the population is underemployed.

There has also been a change in the US labor market structure leading to more people being unemployed for a longer period of time. When measured by skill levels, declines in employment have been more severe for less skilled workers. Though States have seen some recovery, many have also seen declines in the employment share for low-

¹⁷ This presentation is available on the Welfare Peer Technical Assistance Network at: <http://www.peerta.acf.hhs.gov/uploadedFiles/Pamela%20Loprest%20PPT%20508.pdf>

skilled workers, and long-term unemployment has grown for low-income families. Overall, low-skilled and working families have been hit hardest by the economic recession.

As a result of various analyses, Dr. Loprest outlined the disconnect between the rates of TANF participation, poverty, and unemployment. For instance, when comparing poverty levels to TANF enrollment, it is clear that TANF caseloads are extremely low compared to the poverty rate, and the participation rate of TANF-eligible individuals has steadily declined since the passage of TANF in 1997. Only 27 percent of unemployed low-income, single-parent families are receiving TANF benefits. However, more than half of these same families are receiving Supplemental Nutrition Assistance Program (SNAP) benefits, which indicate a varied response to economic conditions by the two programs. Also, there are a growing number of individuals, particularly single mothers, who are increasingly disconnected from welfare and work¹⁸; Dr. Loprest highlighted data that showed nine percent are receiving no public assistance benefits.

TANF—like AFDC—is an important component of a strong and stable support system for low-income and working families. TANF serves a particularly vital role by preparing individuals for work by assisting participants in “working toward work” and strengthening their ability to prepare for, find, obtain, and retain employment. According to Dr. Loprest, work is important for families in poverty and greatly improves their ability to achieve higher levels of economic self-sufficiency. However, in today’s economy, finding work for low-income, low-skilled individuals can be extremely difficult and individuals require additional supports, increased education and training, and strengthened career pathways. There is growing literature on the various supports that low-income, low-skilled individuals need; TANF programs should access additional technical assistance and research from various Federal government, academic, and research partners to better prepare programs to meet the specific employment needs for clients. In addition, this body of information will enable case managers to develop a more holistic approach for placing individuals into successful work and related activities.

As programs continue to consider ways to improve the employment outcomes for TANF participants they should access information from various sources that will be useful for understanding the labor market and workforce requirements and training needs. The US Department of Labor (DOL), Bureau of Labor Statistics (BLS), for instance, projects that in terms of professional occupations, computer and mathematical careers; healthcare practitioners and technical occupations; and education, training, and library occupations will see the most growth between 2008 and 2018. These professions require additional training that is not easily accessible for many TANF participants, but TANF programs can partner with a variety of service partners to improve the ability of participants to transition from assistance into these career pathways.

Most recently, service careers, healthcare support occupations, personal care and service occupations, and food preparation and serving occupations have been experiencing high levels of growth. There are many programs throughout the country that were developed to improve the employability of low-income and low-skilled workers in these areas. Dr. Loprest noted that there is great promise in various career pathways, but cautioned participants to weigh the skill levels required for these jobs, their average wages (see Figure 6), and how program components, goals, and activities can be aligned to the needs of the career pathways and the clients served. Even though there is evidence that a significant proportion of TANF participants are ill-prepared for many jobs— education levels are typically low with only 4.9 percent of TANF participants having higher than a high school education—TANF programs

¹⁸ Loprest, P. and Nichols, A. (2008). Characteristics of Low-Income Single Mothers Disconnected from Work and Public Assistance. The Urban Institute, Washington, DC.

Figure 6. Largest Growth Occupations Requiring Less than Four-Year Degree, by Average Wage Quartile 2008

Third quartile wages (\$32,000 to \$52,000)

- Truck drivers; Carpenters; Bookkeeping/accounting clerks; Executive secretaries; First-line supervisors/managers; Licensed practical/vocational nurses; Maintenance and repair workers

Second quartile wages (\$22,000 to \$32,000)

- Customer service rep; Office clerks; Nursing aides/orderlies; Construction laborers; Landscaping/groundskeepers; Receptionist; Medical Assistants; Security Guards; Teacher Assistant

Lowest quartile wages (<\$22,000)

- Home health aides; food preparation/serving; personal and home care aides; Retail sales; Waiters and waitresses; Child care workers

still would like participants to get better jobs and higher earnings and many are working with a variety of partners to improve outcomes.

The Office of Family Assistance and other TANF stakeholders are making an investment in additional activities and strategies to strengthen career pathways. They are working together to test a series of different initiatives meant to improve the employment outcomes for low-income and low-skilled individuals, including the Health Professions Opportunities Grants (HPOG) program, which provides funds for demonstration projects that help eligible individuals find well-paying jobs in the healthcare field¹⁹ Another initiative is the

Innovative Strategies for Increasing Self-Sufficiency (ISIS) project, which involves next generation employment and self-sufficiency interventions.²⁰

Dr. Loprest reiterated the importance of the various labor market strategies and recommended that programs focus on both employment preparation activities (see Figure 7) and job search and job retention activities. The relationship between TANF program staff and employers is crucial to improved employment outcomes for low-income workers and TANF participants. These relationships are a key program component for individuals because they contribute to work-related training development, provide real contexts for skill development, contribute to community cohesion, and create potentially sustainable pathways for clients. To assist TANF programs, partners and OFA, the Urban Institute is conducting research in these different areas to understand more about what is working in the areas of strengthening employment pathways, skills building activities, and career pathways and how interventions and strategies can benefit families.

Figure 7. Employment Preparation Activities

Education and Training

- Assessment/matching
- Stackable credentials
- Basic skills
- Community college connection

Job readiness

- Soft skills
- Competitive market

Addressing challenges

- Treatment

Discussion

Following the presentation on the Great Recession, State attendees discussed the predicament they are facing in terms of post-secondary education. Secondary education is extremely helpful in moving families to self-sufficiency; however, various TANF program components that limit access to education and training, such as the 12-month limit, also reduce the ability of States to place more individuals into secondary education, training, and skill building.

¹⁹ For more information on the HPOG project, please visit: http://www.acf.hhs.gov/programs/opre/welfare_employ/hpog_impact/overview.html

²⁰ For more information on the ISIS project, please visit: http://www.acf.hhs.gov/programs/opre/welfare_employ/isis/isis_overview.html

Research shows that post-secondary education helps increase the employability and improve the employment outcomes of low-income individuals. However, States are experiencing long waiting periods for post-secondary trainings in in-demand fields such as healthcare and the post-secondary systems. In addition, community colleges are being taxed and have seen tremendous increases in student enrollment. . Many attendees agreed that a significant proportion of their caseloads are actually ready for additional education and training and will require additional barrier reduction and remediation.

Moreover, many low-income individuals with limited job histories and limited connection to the world of work lack the soft skills needed to get a job, stay employed, and advance to higher positions. Employers are seeking many of the nontechnical skills, abilities, and traits that workers need to function in a specific environment. Participants cited employers' interest in candidates with a strong work ethic and soft skills such as communication, cognitive, problem solving, time management and interpersonal skills. Employers are seeking these soft skills and will frequently make hiring decisions based on nontechnical skills and attributes of candidates, with less emphasis on specific training or levels of education. The attendees agreed that increased flexibility in the TANF rules to be able to focus on soft skills will be important, as well as determining the most effective ways to provide real and important work readiness training.

The Online Work Readiness Assessment (OWRA)- Lessons from the Field²¹

Integrated, automated, and virtual client services have become increasingly important tools as TANF programs strive to improve the work readiness and employment of low-income and working individuals within the confines of limited-resource environments. By enhancing and streamlining client assessment and service coordination, the Online Work Readiness Assessment (OWRA) tool uses integrated technologies to improve the ability of TANF and social service programs to assess and triage clients into applicable work readiness services and employment. Ms. Christina Techico, Senior Project Manager at ICF International, and Mr. Daylan Beamon, Expert Consultant at ICF International, provided an overview of OWRA and an interactive demonstration of the tool.²²

The OWRA tool was developed in response to an expressed need for a comprehensive, up-front assessment of TANF participants that would aid case managers in moving participants into sustainable employment opportunities. OWRA began as a paper-based tool that was created in partnership with the University of Maryland School of Social Work. With feedback from focus groups, the online assessment tool was created; following an initial round of piloting, the tool was expanded to include the Self-Sufficiency Plan and Reporting section to aid in data management. Support tools were also added to help participants prepare for the world of work and to find career options aligned with their interests. The OWRA schema depicts the assessment process and components of the tool (see Figure 8).

OWRA is designed to help case managers identify barriers while also focusing on participant strengths for the development of self-sufficiency plans. OWRA's support tools include information on the labor market, resources from the US Departments of Education and Labor, assessments, and information on career pathways.

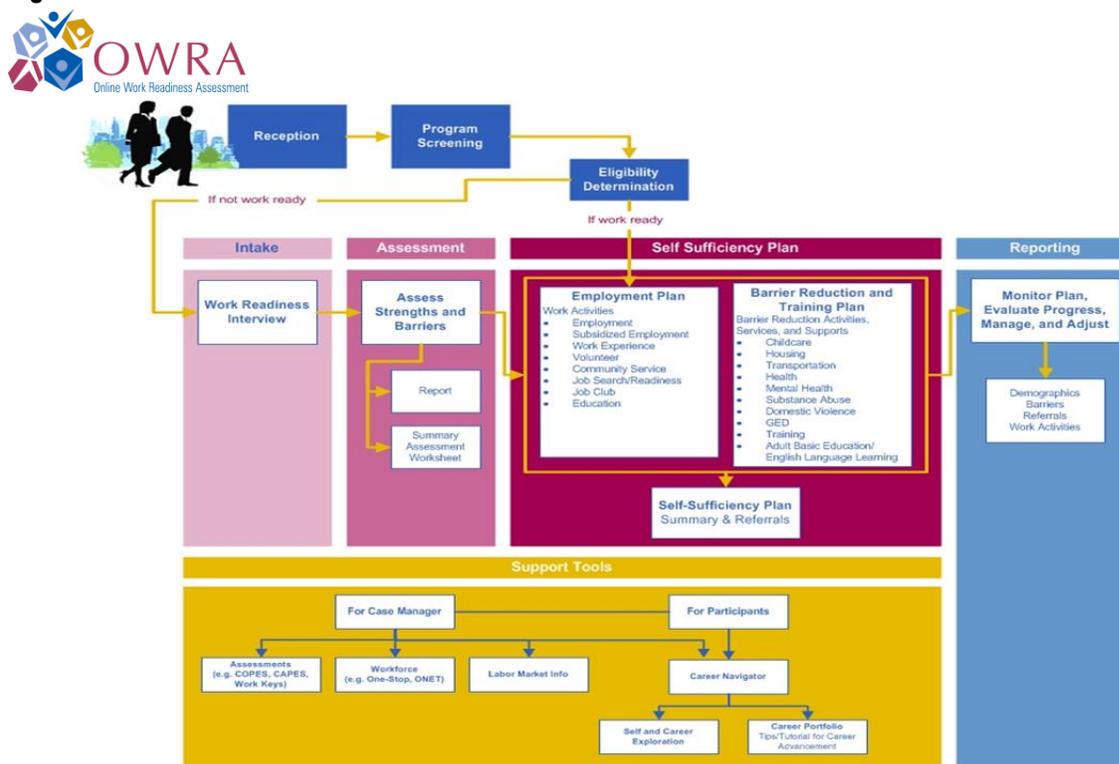
Pilot testing of OWRA has occurred in two phases. During the 2011 implementation pilot, two sites, Cook County, Illinois and the State of South Carolina, hosted the tool with extensive technical support provided by ICF International. During the implementation pilot, OWRA was integrated with business processes and legacy TANF intake systems in Cook County, Illinois and the State of South Carolina and used by all TANF case managers in the

²¹ An overview of the OWRA Implementation Process can found on the Welfare Peer Technical Assistance Network at: <http://peerta.acf.hhs.gov/uploadedFiles/Implementation%20Overview%20Final%20508.pdf>

²² An online demonstration of OWRA can be accessed through the Web site at <http://peerta.acf.hhs.gov/tanftc/index.cfm>.

sites for a period four to six months. Final results of a process and implementation evaluation showed that OWRA can be a useful component of a comprehensive case management and assessment process for TANF participants and other clients.

Figure 8. OWRA Schema



Discussion

After the presentation, meeting attendees spoke about their experiences using the OWRA tool. Specifically, the District of Columbia and Maryland discussed their experiences with using the tool and both remarked that OWRA was a useful tool for their TANF programs. The District of Columbia—which participated in a 201 pilot of the tool—utilized OWRA with its staff from job clubs who were responsible for conducting the 45-minute assessment. In Maryland—another previous pilot site—OWRA is becoming a part of its TANF program and will be fully implemented in April of 2012. The comprehensive OWRA tool will replace the separate assessments historically used for domestic violence, employability, and substance abuse,

A Safety Net Built Around Work When There is No Work

Since the onset of the Great Recession in 2007, the United States has struggled with national unemployment rates that have stagnated between 9.0 and 9.2 percent, and have only recently fell to 8.6 percent in November of 2011. While the 0.4 percent drop in unemployment is notable, many groups, including women, teenagers, Blacks, and Hispanics, showed little or no change in their jobless rates.²³

²³ United States Department of Labor, Bureau of Labor Statistics. (2011, December 2). Economic News Release. Retrieved December 6, 2011, from Bureau of Labor Statistics: <http://www.bls.gov/news.release/empsit.nr0.htm>

Given this difficult economic climate, a safety net system built around work requirements is not viable. Mr. David Butler, Vice President and Director of the Health and Barriers to Employment Policy Area at MDRC, addressed the current safety net paradox by sharing remarks originally given by Mr. Gordon Berlin, President of MDRC, at the Welfare Research and Evaluation Conference in June of 2011.²⁴ When PRWORA was enacted in 1996, a safety net system built around work was practical due to low unemployment rates and a growing economy. The recession in 2001, according to Mr. Butler, provided warning signs that the TANF program was not flexible enough to withstand a major economic crisis, but because that recession was relatively short-lived, the TANF program was able to rebound. Due to the length and severity of the Great Recession, the current economic environment has made it extremely difficult for TANF participants to meet program requirements and move out of poverty.

Figure 9. Key Points

- Middle-skill jobs are a route out of poverty.
- Men's unemployment rates and earnings must become a policy focus.
- Minimum wage must be responsive to inflation.
- Consider conditional cash transfer models that give credit for other activities such as children's school attendance, and medical appointments. Poverty and hardship can be decreased by transferring payments to these activities.

According to the most recent data available from the BLS, the number of long-term unemployed—those unemployed longer than 27 weeks—has remained relatively unchanged; Mr. Butler believes that current TANF job search time limits do not reflect the economic climate. At the end of 2010, the mean length of time for an unemployed person to locate work was slightly more than 10 weeks²⁵ and under current regulations, TANF participants cannot engage in job search or job readiness for more than six weeks,²⁶ or four consecutive weeks, in a 12 month period, values significantly lower than the mean number of weeks currently required to find employment²⁷.

During these periods of extended unemployment, there is growing emphasis on the importance of assisting the unemployed to remain employable by receiving additional training and by honing particular skills. According to Mr. Butler, the task of getting and keeping individuals employed requires a complex toolbox of strategies. Among the most promising strategies are sector-focused approaches that build sustainable career pathways based on local growth projections and workforce trends. Another key strategy is the development and use of thorough assessments and referrals so that clients' skills and barriers are more thoroughly identified so they receive the most important and valuable work supports needed to achieve greater outcomes.

Using information gathered from across the country and across the globe, TANF programs can formulate the most effective strategies for achieving better outcomes for their clients. For instance, in Brazil, Mexico, New York City, and Memphis some entities are experimenting with tying benefits to things such as improvements in parents' human capital; gains in children's school attendance, achievement, and

²⁴ Mr. Gordon Berlin's original remarks are available on the Welfare Peer Technical Assistance Network at: <http://peerta.acf.hhs.gov/uploadedFiles/Gordon%20Berlin%20WREC.pdf>.

²⁵ Ilg, R. (2011, May). *How long before the unemployed find jobs or quit looking?* Retrieved January 5, 2012, from United States Department of Labor, Bureau of Labor Statistics: http://www.bls.gov/opub/ils/summary_11_01/unemployed_jobs_quit.htm

²⁶ If the unemployment rate of a State is more than 50 percent greater than the unemployment rate of the United States, the limit on job search is 12 weeks.

²⁷ Reauthorization of the Temporary Assistance for Needy Families (TANF) Program; Final Rule: Federal Register, Volume 73, Number 24, February 5, 2008. Accessed at: <http://www.gpo.gov/fdsys/pkg/FR-2008-02-05/pdf/08-455.pdf>

attainment; and improvements in health and well-being as monitored by annual check-ups. Approaches like this can have positive outcomes for individuals. In fact, studies have shown that conditional cash transfers can be successful in reducing poverty and hardship. Community work experience and transitional jobs can also assist TANF participants in successfully transitioning to work.

In order to move TANF participants onto a more stable economic footing, there needs to be structured approaches that look holistically at training and employment needs to better prepare them for advancement in a changing market place. Economic analyses predict growth in low-skill jobs through 2018, with 11 of the top 15 jobs falling into this low-skill category. However, low-skill jobs do not pay family supporting wages, underscoring the need for increased training opportunities, expansion of Earned Income Tax Credit (EITC) programs, and payroll tax holidays. Along with the increase in lower-skilled job opportunities, BLS estimates that, through 2014, middle-skill jobs will account for 45 percent of the labor market. These middle-skill jobs will frequently pay family supporting wages and provide a pathway out of poverty for those without a bachelor's degree; however, a postsecondary degree or certificate may be required.

Discussion

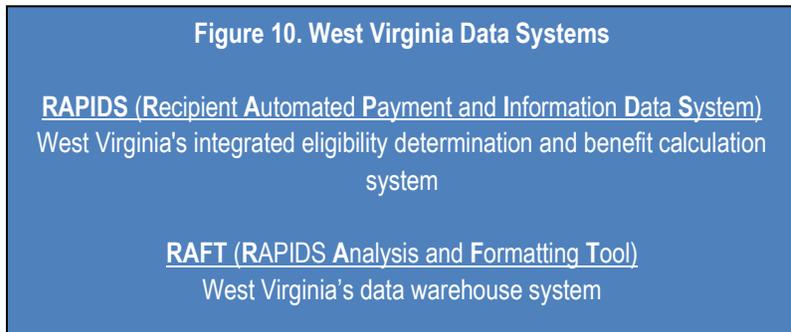
Following the remarks given by Mr. Butler, the meeting attendees engaged in a discussion about innovative practices for moving families out of poverty in a time of scarce employment opportunities. Some meeting attendees recognized the need to develop a targeted outreach program for males and the importance of working more closely with fatherhood initiatives.

While most States are showing growth in middle-skill jobs in the health care and technology industries, data from BLS and the sectorial focus of community colleges can provide insights into growth areas at a local level. As TANF agencies begin to look toward middle-skill jobs as pathways out of poverty, the meeting attendees considered the types of partnerships that may be necessary to move individuals into these jobs. In some States, partnerships with employers and labor unions have been successful with motivated participants possessing some work experience. Community colleges can also help TANF participants access middle-skill jobs through targeted training programs. Other attendees noted that there must be a shift in mindset among job developers from the idea that “any job is a good job” to focused employment placement that takes advantage of the credentials of the individual. In some cases, it is necessary to train participants for projected employment opportunities so that a trained workforce exists when jobs become available.

State attendees also discussed work experience and training, and Mr. Butler encouraged meeting attendees to think broadly about hands-on work experience opportunities including: apprenticeships, on-the-job training, and transitional jobs programs. He noted that it is important to identify clear career pathways in these programs if participants are going to enter these programs at a low level.

Many meeting attendees commented that they are struggling to meet the needs of non-custodial parents and two-parent families in their States. Currently, TANF programs are designed to look to fathers as a source of child support and it is often difficult to support these individuals within the confines of program requirements. Two-parent families also provide a unique challenge because they often consist of two adults living with children who may or may not be their collective children. Many State TANF agencies remove

two-parent families from their WPR by funding them entirely with State monies. Meeting attendees agreed that the challenges to supporting two-parent families and non-custodial parents must be addressed to achieve the goal of moving individuals out of poverty.

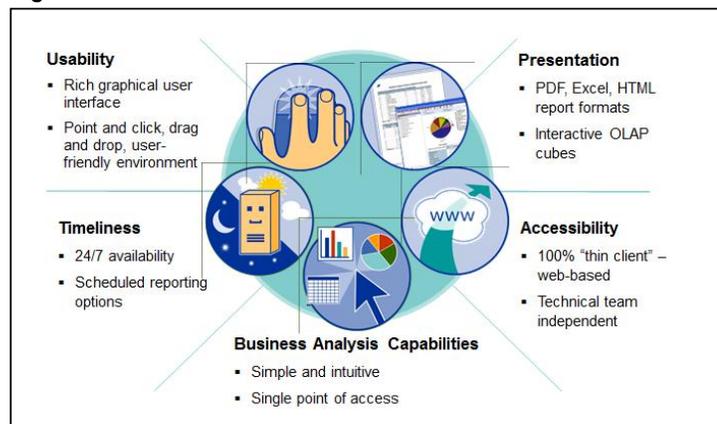


Managing by Data—Strategies and Successes²⁸

State and local policy decisions and program management are influenced by and greatly affect caseload levels and dynamics. Managing caseload requirements and TANF data is an important component of effective engagement and improved outcomes. During this facilitated discussion, representatives from West Virginia and Deloitte Consulting, a contractor hired by the State, provided attendees with a demonstration of West Virginia's integrated eligibility determination and benefit calculation system. The presenters also provided attendees with recommendations for collecting and analyzing client data and strategies for improving program outcomes by more effectively managing caseload information.

The West Virginia RAFT system is an enterprise data warehouse that pulls data from the West Virginia eligibility determination and benefit calculation system, RAPIDS (see Figure 10) and includes data from 2005 to today. The development of the RAFT system was driven by the State's increased focus on metrics and outcomes, which started in 2008. At that time, West Virginia had a very low WPR, and leadership wanted to be able to meet the WPR, better service and engage clients, and have a clear view of the caseload. RAFT has proven to be beneficial and successful in meeting in improving the usability, timeliness, presentation, and accessibility of data in West Virginia (see Figure 11).

Figure 11. Benefits of RAFT



West Virginia's goals for the RAFT system included the following:

- To reduce the burden on the production transaction processing system's (RAPIDS) resources for reporting purposes;
- To provide an environment that is optimized to support querying and reporting activity, and will not need to be tuned to support frequent inserts, updates and deletion of data;
- To deliver an end user interface which hides technical complications that can lead to erroneous reporting results; and

²⁸ This presentation is available on the Welfare Peer Technical Assistance Network at: <http://www.peerta.acf.hhs.gov/uploadedFiles/West%20Virginia%20Presentation%20PPT%20508.pdf>

- To reduce the Information Technology (IT) burden in creating, maintaining, and tweaking the inventory of RAPIDS reports by providing more functionality to RAPIDS users.

According to attendees, TANF program data is important and its use can improve performance. However, States are not able to focus resources on high-quality data management systems as they need to focus on work and work programs to achieve higher WPR. They agreed that a long-term approach is needed to address WPR and, more importantly, an innovative long-term strategy was needed to increase the employment outcomes of TANF participants. Tools like the RAFT system are useful for managing data to improve program performance and outcomes, but having access to the data is just one component of a successful data system; the other is a change management approach, which involves looking at how the data can be used to manage caseloads more effectively. To best manage the data, it needs to be maintained consistently throughout the State, which creates more time for TANF staff and case managers to work with TANF participants.

Following the overview of the RAFT system, Mr. Gahr and Mr. Maloney provided a detailed demonstration of the application, the majority of which is web-based.²⁹ RAFT is an interface for entering information, running eligibility, and managing caseloads; it is a one stop shop for case management. RAFT also includes a reporting feature, which provides detailed data to the case managers so they can effectively manage their caseloads. Case managers using RAFT only have access to detailed information on their own caseloads; however they will also see high-level information so they can compare their participants' average WPR to national and statewide data. Snapshot reports are provided by RAFT on a biweekly basis and have been extremely useful in the field. They include information on topics such as component hours, work program assignments, and barriers. The system also includes a dashboard, which is more dynamic than the static snapshot reports, and shows data in relation to statewide, Federal, and benchmark datasets. The data can be broken down by regions and counties within the State.

Discussion

Following the detailed demonstration, State attendees discussed the way that West Virginia has been able to greatly improve the WPR due to data management advances. The availability of this electronic information provides State and local leadership with a better idea of what each case manager is doing. Prior to developing these reports through an internet-based system, the reports were not manageable or in an understandable form. RAFT has helped to provide specific information that staff need to improve their performance. From here, West Virginia plans to take the system further to examine recidivism, the drivers that lead to self-sufficiency, why some participants go on and off TANF, and to look at program effectiveness. Being able to understand what works and applying that to TANF caseloads can have dramatic impacts on the individuals served through the program.

Asset-based Approaches for Providing Services to Survivors of Domestic Violence³⁰

Research has shown a strong correlation between domestic violence and extensive economic strain. TANF programs serve as a vital resource for many low-income women trying to escape violent situations and achieve greater levels of economic self-sufficiency. Ms. Kim Pentico, Economic Justice Specialist for the Allstate Foundation Economic Empowerment for Domestic Violence Survivors Program and the National Network to End Domestic Violence,

²⁹ More information on the RAFT and RAPIDS systems can be accessed here: <http://www.wvdhhr.org/bcf/it/rapids.asp>

³⁰ This presentation is available on the Welfare Peer Technical Assistance Network at: http://peerta.acf.hhs.gov/uploadedFiles/Asset-DV%20PPT_Kim%20Pentico%20508.pdf.

presented asset-based approaches designed to support survivors of domestic violence. The discussion also included strategies for improving partnerships and service coordination between domestic violence programs and TANF.

Twenty-two percent of all women experience domestic violence at some point in their adult life, and the percentage of women in poverty who experience domestic violence ranges from 34 to 65 percent. Between eight and 33 percent of women in poverty are victims of recent violence and many have experienced physical or sexual violence during childhood. The increased prevalence of domestic violence occurring among women in poverty, and the damage it causes, is compounded by the negative consequences that can result when the abused individual leaves the abusive environment. These consequences may include:

- Loss of employment;
- Loss of housing;
- Loss of health care;
- Loss of child care;
- Loss of partner's income; and
- Risk of injury and escalating violence.

Given the challenges facing women who are attempting to leave abusive situations, access to resources is essential for successful exit. The National Network to End Domestic Violence, in partnership with the Allstate Foundation, is assisting organizations throughout the United States to help victims of domestic violence build assets (see Figure 12). Through the one million dollar "Moving Ahead through Financial Empowerment" grant program, 15 grantees have successfully provided victims of domestic violence with a range of asset-based support including:

- Financial literacy education;
- Microenterprise support;
- Job skills; and
- Individual development accounts and matched savings accounts.

A network in Vermont consisting of Education and Support for Economic Empowerment (EASE-E), Vermont Works for Women, and a Credit Union supports survivors of domestic violence through match savings accounts and micro-loans.

The network helps women repair their credit through \$100 non-interest loans that are paid back in \$10 monthly payments. Women are able to increase their credit scores by an average of 50 points through these micro-loans. The Rhode Island Coalition Against Domestic Violence also provides victims of domestic violence with similar financial tools, as well as opportunities to engage in microenterprise.

Figure 12. Moving Ahead through Financial Management Curriculum Topics:

- Safety Planning
- Budgeting
- Credit
- Loans
- Long-term Planning

Figure 13. Moving Ahead Through Financial Empowerment Grant Program Mid-year Results

- 2,300 Survivors served
- 1,300 financial plans created
- 600 individuals with improved credit
- 350 IDA/match savings accounts established

The Allstate Foundation has facilitated the development of a financial education curriculum, “Moving Ahead Through Financial Management³¹,” that is customized to address the needs of survivors of domestic violence (see Figure 13). Particularly important to survivors of domestic violence is safety planning; the curriculum teaches women about financial abuse and how to safely set aside money to leave an abusive situation. It also covers the advantages and disadvantages of disclosing domestic violence, which is often unsafe or perceived as unsafe. Additionally, the curriculum teaches survivors how to safely search for housing without alerting their abuser of their intent to leave.

Discussion

Meeting attendees discussed how TANF can provide victims of domestic violence with an important safety net as they build their financial resources. Many TANF Administrators are working to better train staff to screen for victims of domestic violence. As part of this effort, some States have begun posting information in their offices that informs victims of domestic violence about what will happen if they disclose information to their TANF case manager. Other States have a dedicated case manager who works closely with domestic violence programs in the area. In Kansas, there is a domestic violence advocate in every TANF office and the “Moving Ahead Through Financial Management” curriculum is a work requirement for victims of domestic violence. In her remarks, Ms. Pentico noted that it would be helpful for case managers to visit domestic violence shelters to inform victims about the TANF program.

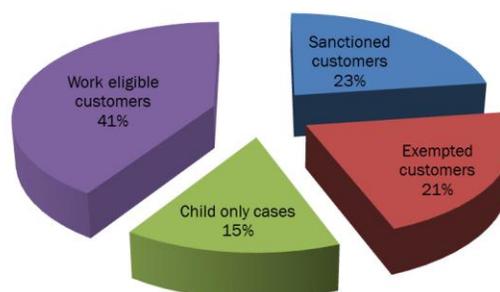
Plenary: *Putting Families First—A Model for Sustainable Self-Sufficiency: The District of Columbia’s Department of Human Services TANF Redesign Initiative*³²

Recognizing that self-sufficiency is a continuum, the District of Columbia is investing in a new TANF program delivery model designed to deliver a suite of services built around the unique needs of an individual family or participant. During this plenary, the District of Columbia Department of Human Services Administrator, Ms. Deborah Carroll, discussed the TANF program redesign and engaged attendees in a discussion on achieving TANF program requirements and meeting the long-term needs of TANF families.

The District’s TANF population has been growing steadily and substantially since 2008, and in Fiscal Year (FY) 2010, the net monthly increase in caseload averaged 100 cases per month. A large proportion of the population (41 percent, or 6,600) is work eligible (see Figure 14); however, most participants are on assistance for eight years or longer, meaning a significant number are staying in the program for longer than the five year limit. Of those participants that are working, most are in low wage, low-skilled jobs.

After looking at this data, the District leadership

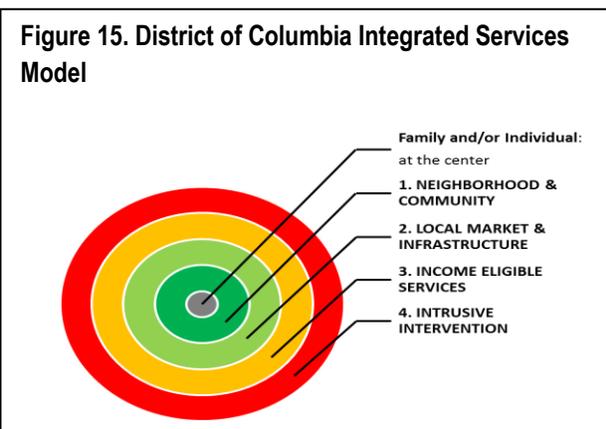
Figure 14. The District of Columbia TANF Population



³¹ More information about the “Moving Ahead Through Financial Management” curriculum and other resources for can be found on the Allstate Foundation Web site (www.clicktoempower.org) and the National Network to End Domestic Violence Web site (www.nnedv.org). The financial education curriculum is currently available online in both English and Spanish.

³² This presentation is available on the Welfare Peer Technical Assistance Network at: http://www.peerta.acf.hhs.gov/uploadedFiles/Washington%20DC_Deborah%20Carroll%20PPT%20508.pdf

decided to make changes to the program structure and started by conducting deep data analysis and focus groups. While staff at human services agencies has traditionally focused on what they do not have, such as adequate resources or sufficient funding; the District of Columbia began to focus on its strengths, including: compassionate caseworkers, strong communities, extended families, stable infrastructure, and dedicated volunteers. The result is recognition that government agencies are one of many types of support, including families and communities as providers of support.

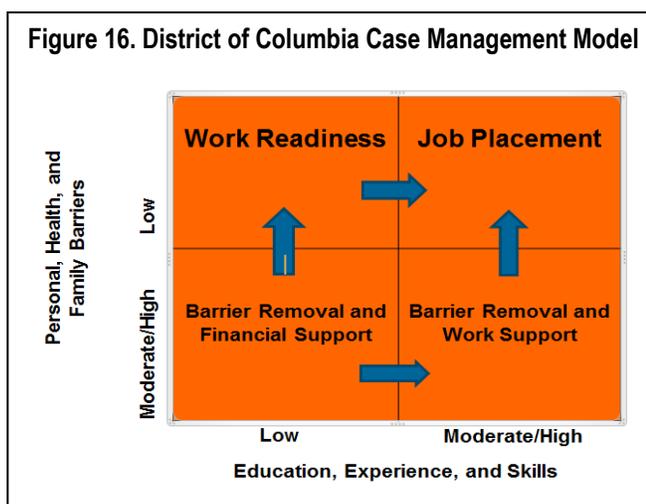


In April 2011, the first set of changes began as cash assistance reductions were provided for work eligible participants that had been on the program for over five years. The Department also implemented an integrated services model. Traditionally, human services organizations have taken an “agency centered” view of the services they provide. However, taking an agency centered approach puts the focus only on what the human service agency and other government agencies can do, instead of focusing on ways to fulfill the agency’s mission. The District of Columbia is now taking a family centered approach to services – focusing on what

participants need – recognizing that some of the needs will be addressed by the community or family itself. The integrated services model involves many “layers of support” that can help a family or individual become more self-sufficient, where human services agencies do not appear until the third level (see Figure 15). Levels near the center of the model result in low-cost, high quality outcomes such as neighborhood and community interventions. With each subsequent level, costs increase and the quality of outcomes potentially decrease.

Due to the District’s changes to TANF policy, particularly the changes to long-term benefits beyond five years, families and individuals that have grown dependent on the Department’s services will require support during the transition to self-sufficiency. Changes to the Department that will support participants include focusing on the following:

- TANF Orientation and Assessments;
- Customized support based on education and barriers;
- Enforcement of Individual Responsibility Plans;
- New models for working with vendors and other partners;
- Solution-focused intervention to focus on strengths; and
- An emphasis on “*doing the right thing rather than just doing things right.*”



To achieve these goals, the District of Columbia is committed to providing customized support based on each participant’s education and barriers. Changed policies

resulting from the District's new integrated services model of case management (see Figure 16) include a longer time for education remediation and additional supports such as tutoring, reflecting the fact the District of Columbia school system has not been very successful. Participants with a twelfth grade education or lower will be assessed, and anyone that scores below a seventh grade level will be referred to vocational education, ensuring that this barrier is addressed early on in the service process.

Other changes resulting from the new TANF policy include the use of full family sanctions, which were not previously employed in the District. Though the Department would prefer to be exclusively solutions-focused and proactive, full family sanctions can motivate participants to take action. The District is also using OWRA³³ to assess all work eligible participants who fit within one of the four quadrants in the model in Figure 16. The quadrants of the model define where the primary case management is coming from, but they do not limit the support that is provided.

In addition, the Department is making changes to its orientation for participants in order to communicate a "sense of urgency" around the new sanction policy and time limits. The goal of the orientation is to create an outlook of hope rather than dismay and convey the idea that the purpose of the program is to help. The Department's assessment strategy leverages solution-focused therapy. Staff is trained to find out how participants got to the TANF program and to work with participants to set goals and draw on their strengths. The assessment drives the Individual Responsibility Plan (IRP) and will be tracked in partnership with non-profits and vendors.

The District of Columbia has also employed new models for working with vendors and other partners. The current vendor payment mechanisms do not encourage long-term, sustainable employment; the Department was paying for activities rather than performance and outcomes. To accomplish desired outcomes, a detailed set of vendor goals and performance metrics will be implemented, tracked and reported. The Department will continue to audit vendor records and perform quality checks, and will eventually use technology to share appropriate data with partner organizations and sister agencies. It is important to ensure that the vendor relationship is outcomes- based.

District of Columbia leadership has found that the key to their success is keeping the purposes of TANF in the minds of the people serving participants through trainings, partnerships, and envisioning (see Figure 17).

Discussion

Following the presentation from the District of Columbia, meeting attendees discussed issues such as resistance from partners and contractors. The District of Columbia did not experience resistance because in planning for the re-design, partners were invited to focus groups, provided feedback, and were kept informed throughout the process. Other concerns involved the targeting of services to low-income neighborhoods that lack employment opportunities. Bringing business into these areas has been a focus in the District of Columbia, and several companies, including Wal-Mart, will be moving into the areas. The Department's goal is to gain an

Figure 17. District of Columbia Guidance

- Focus on strengths of the families and individuals served.
- Create hope for clients, staff, and communities.
- Be willing to ask for help.
- Train case managers in TANF requirements and effective ways to assist participants.
- Build a network and nurture it.
- Have a partnership mindset- environment of mutual responsibility.
- Do not let perfection get in the way of progress.

³³ For more information on the Online Work Readiness Assessment (OWRA) tool, please see page 12 of this report or access the OWRA Web page at: <http://peerta.acf.hhs.gov/tanftc/default/index.cfm>

understanding of the skills required for the jobs at the new employers and prepare participants for those jobs. Other discussion topics included budget and whether the allocation of funds has changed to meet the new goals. The District of Columbia is measuring how payments are made; because case management is important, the Department is paying a portion of those costs. The budget did not change a great deal, so leadership re-tooled the budget in a way that focused on outcomes.

Strengthening the Social Safety Net through Improved Partnerships

The safety net in the United States is made up of various partners and programs and program integration at Federal, State, and local levels, has taken on new meaning and greater significance during the current tough economic environment. During this facilitated discussion, attendees explored strategies for improving partnerships among various safety net programs and interacted with their peers and Federal representatives on the specific challenges of partnership and strategies to reduce barriers.

US Department of Agriculture, Food and Nutrition Service

Ms. Bonnie Brathwaite, Director of the Northeast Regional Office for Food and Nutrition Service (FNS) for the US Department of Agriculture (USDA) provided an overview of the 15 programs administered by FNS. According to the most recent data, one in four Americans is supported by one of these 15 programs in the course of each year. Among the largest of the USDA programs is the Supplemental Nutrition Assistance Program (SNAP), formerly the Food Stamp program, which is a completely Federally-funded safety net program that provides eligible individuals with benefits on an Electronic Benefits Transfer (EBT) card for food purchases. In the Northeast alone, 4.9 million people receive SNAP benefits averaging \$143.70 per month that can be used at nearly 30,000 SNAP authorized retail stores.

SNAP has an associated Employment and Training program that is designed to help participants receive the necessary skills, training, and work experience to improve their ability to achieve full-time employment. State SNAP agencies have flexibility in designing these Employment and Training programs including determining the services offered, where the program exists, and who can be served. Most States offer job search services, and many provide GED preparation, English as Second Language, and Vocational Education. In FY 2010, there was a decline in participation in the Employment and Training program due to budget cuts, but FNS continues to focus on providing the newly unemployed with skills and training to prepare them for the changing labor market.

US Department of Health and Human Services, Administration for Children and Families, Child Welfare

Mr. Bob Cavanaugh, Child Welfare Program Manager for the Administration for Children and Families, Region I, provided some background on Child Welfare and the need for improved partnerships with TANF. Under Title IV E, States can only be reimbursed for foster care payments if the family can be categorized as low-income.³⁴ If Child Welfare could partner with TANF for determination of families' income status, there could be improved access of Title IV E funds by States.

US DOL, Employment and Training Administration

Mr. Tim Martin, Director of the Office of State Systems for the Employment and Training Administration (ETA) in Region I for the US DOL provided an overview of ETA and opportunities for TANF and DOL to strengthen service

³⁴ Title IV—Grants to States for Aid and Services to Needy Families with Children and for Child–Welfare Services: http://www.ssa.gov/OP_Home/ssact/title04/0400.htm.

delivery through partnership. Within DOL there are 15 agencies, although 80-90 percent of the funds are distributed through ETA, which provides grantees with funds to support employment programs. Eighty percent of ETA funds are distributed to States based on a formula and the remaining 20 percent distributed through competitive grants.

To help build partnerships with ETA, Mr. Martin suggested beginning at the Regional Office level to initiate the process of resource alignment. Each quarter, the Regional Offices hold a Federal partners meeting that provides an opportunity for agencies to share their challenges and strategize around opportunities for collaboration. The US Departments of Justice, Education, and Labor are convening a Young Adult Meeting to look at this group of shared customers and to examine how they can better align their services for this population.

On the State and Local levels, there is opportunity for partnership with Workforce Investment Boards (WIBs). State and Local WIBs are responsible for policy development; having TANF representatives on the WIBs could help ensure that TANF workforce development needs are understood and reflected in policy. There are opportunities to build partnerships at local OneStop Career Centers by co-locating TANF caseworkers at these locations; the continuous information transfer between TANF and OneStop Career Centers makes participants feel supported by creating a coordinated service delivery model.

Discussion

Many meeting attendees were interested in the Workforce Innovation Fund, an initiative of DOL.³⁵ The Fund, for which a November solicitation was scheduled, would provide \$250 million in competitive funds to support bringing innovative practices targeting the long-term unemployed to scale. For some TANF agencies, the Workforce Investment Act (WIA) referral process has been a significant barrier to partnership. Although TANF uses many of the same assessments as WIA, they must be administered by WIA and can take up to four weeks to administer and complete. This is challenging because TANF programs are on a strict timeline to place participants in employment. This challenge provides an excellent opportunity for partnership and service alignment.

Child Welfare and DOL are discussing how to best serve children who are aging out of Child Welfare. Some States have extended Child Welfare services up to age 21 and require the development of transition plans. DOL continues to target services to the hard to serve, including those who are aging out of Child Welfare.

Fiscal Management³⁶

During this session, Ms. Patty Fisher, Grants Officer from ACF Region III, provided attendees with an overview of fiscal management requirements and strategies to assist them in gaining a better understanding of the single State audit and related financial issues affecting the TANF program. Attendees were encouraged to engage with Ms. Fisher, OFA staff, and peers on issues relating to common audit findings and the audit compliance supplement.

The A-133 audit is required for all States, local governments, and non-profit agencies expending \$500,000 or more in Federal funds per year, as prescribed in the Office of Management and Budget circular A-133.³⁷ The US government

³⁵ More information on the Workforce Innovation Fund can be accessed on the Department of Labor Website:

http://www.doleta.gov/workforce_innovation/

³⁶ This presentation is available on the Welfare Peer Technical Assistance Network at:

<http://www.peerta.acf.hhs.gov/uploadedFiles/TANFAuditbriefing11032011final.pdf>

has the fiduciary responsibility to control the propriety of expenditures under grants and cooperative agreements, and to follow through with any findings.

Though all auditors review the same items (see Figure 18), the auditors are different and States often need to educate them on the TANF program to ensure that they possess a full understanding of the program. Costs of audits required by the Federal government are allowable costs for the TANF program, according to the A-133, Section 230, and delinquent grantees are those that have not conducted or provided an annual audit to the Federal Audit Clearinghouse. Sanctions include:

- Withholding a percentage of Federal funds until the audit is completed;
- Withholding or disallowing overhead costs;
- Suspending Federal funds;
- Converting the grantee to reimbursement method of payment;
- Withholding further grant payments; and
- Termination of the grant award.

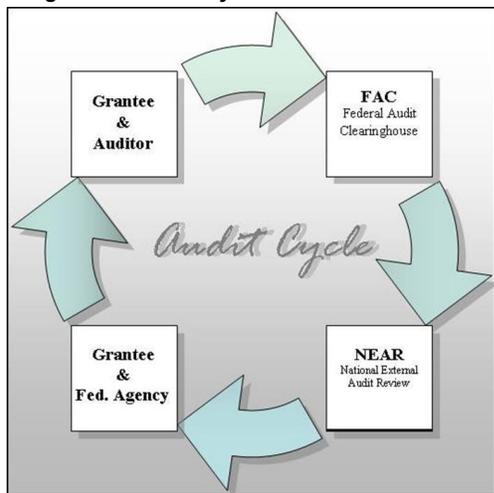
Figure 18. Items an Auditor Reviews

- Internal controls
- Known questioned costs greater than \$10,000 for a program
- Known Fraud affecting a Federal award
- Prior Findings

The A-133 Compliance Supplement is a valuable resource for State TANF agencies and was last updated in March 2011.³⁸ State leadership, program staff, and financial staff need to read the Supplement prior to every audit because it provides program specific audit guidance. In addition to knowing and understanding the A-133 Compliance Supplement, the best way for TANF programs to prepare for an audit is to collaborate with fiscal and program staffs,

bringing in ACF Regional office contacts and talk to them before and during the audit, be knowledgeable about the audit process, and work together with confidence. To prepare with confidence, TANF leadership needs to be ready for the audit in advance; document major items such as policies and procedures; maintain and retain documentation for the audit; and practice open communication with the auditor.

Figure 19. Audit Cycle



During the audit cycle (see Figure 19), auditors provide an audit package to the Federal Audit Clearinghouse (FAC) within nine months after the end of the grantee’s year end. FAC then checks the audit package for completeness, assigns a unique common identifier number, and submits the audit to the National External Audit Review (NEAR). NEAR performs an initial review of findings, recommends action on findings, sends an initial letter to the State, and assigns the

³⁷ The White House, Office of Management and Budget. (2007). *Circular No. A-133 Revised to show changes published in the Federal Register June 27, 2003 and June 26, 2007: Audits of States, local governments, and non-profit organizations*. Retrieved from: http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf

³⁸ The A-133 Compliance Supplement can be accessed here: http://www.whitehouse.gov/sites/default/files/omb/circulars/a133_compliance/2011/hhs.pdf

findings to the appropriate Federal agency. The letter sent to the State will ask leadership to respond to the findings within a certain time period. While NEAR's recommendations may differ from those of the auditor, the auditor will receive a copy of the letter so they know what steps NEAR has asked the grantee to take. The letter is important and States must respond to it in a timely manner to avoid repeat findings.

ACF also has responsibilities during the audit process, and the Office of Grants Management works with program staff and OFA to determine whether the TANF penalty process should be pursued or if the audit will be resolved without penalty. If a penalty is assessed, it is typically due to sustained audit findings with questionable costs of \$10,000 or more, or repeat and unresolved findings regardless of questioned costs. When a penalty is assessed, OFA will prepare a penalty letter. If the audit will be resolved without a penalty, there are typically un-sustained audit findings, and these findings will go through the audit resolution process (see Figure 20). Some penalties are a percentage of the TANF grant and some are dollar-for-dollar reductions. All penalties added together cannot exceed 25 percent of the TANF grant in a quarter, and any remaining penalty is applied to subsequent periods.

If a State receives a penalty, options include disputing the penalty or requesting reasonable cause. State TANF programs can submit a Corrective Compliance Plan (CCP) for *some* penalties – this option is available for misuse of TANF funds, failing to submit reports, or failing to meet the WPR. States can also appeal to the Departmental Appeals Board, or accept the penalty and pay it. The State has 60 days to respond to a penalty letter.

Figure 20. Audit Resolution Process

1. Office of Grants works with program, grantee, and auditor to understand finding.
2. Concur v. non-concur.
3. Determine if corrective action exists to resolve.
4. Audit resolution letter from OFA to the Grantee.
5. Work to prevent repeat findings.

Throughout the audit process, the grantee is responsible for understanding the award terms and conditions, submitting required Federal reports in an accurate and timely manner, ensuring required audits are performed and submitted within the required timeframe, and following-up and/or taking corrective action on findings. To do this, the State must respond in writing to the NEAR letter, and send a copy to the ACF Regional Office. The written response should include whether the grantee concurs or does not concur with the finding, comments that may support their position on the finding, and the corrective action that is planned or has been taken.

Discussion

Following this session, meeting attendees discussed questions about audit findings. Ms. Fisher explained more about the differences between auditor findings and NEAR findings. For example, as long as their findings are consistent with Federal regulations, auditors have a lot of discretion about what to include in their findings, including details related to States' policies on the WPR. NEAR may or may not include all auditor findings in the report. Attendees also discussed ARRA audit findings. 2009 audits are being called ARRA findings because that is when the money had to be spent. Everything that will be audited related to ARRA is included in the A-133 Compliance Supplement. ARRA findings will be labeled by NEAR, not the auditor, and those findings are being resolved on a fast track basis.

Ms. Fisher encouraged attendees to use the OFA Web site³⁹ as a resource for audits as it includes useful Program Instructions, Frequently Asked Questions documents (FAQs), and instructions on quarterly financial reports. Since all meeting attendees are involved with audits, they need to make sure they understand the process, are prepared, and

³⁹ The Office of Family Assistance Web site can be accessed here: <http://www.acf.hhs.gov/programs/ofa/>

have strong relationships with their fiscal staff. Though State leadership is stressed for time and resources, they need to make time to prepare for audits because clearing up audit findings the first time will ensure that States will not have to spend time on them the following year.

Plenary: TANF at 15—Thinking Outside the Box During Tough Times⁴⁰

In this weakened economy, addressing the needs of clients who look to TANF for support requires vision, risk-taking, strategic solutions, and innovation. During this plenary session led by Dr. Roberta Rehner Iversen, PhD, Director of the Master of Science in Social Policy Program at the University of Pennsylvania and author of *Jobs Aren't Enough*,⁴¹ attendees had the opportunity to engage in a discussion on innovation in the era of “doing more with less.”

Figure 21. Ideas to Help People Get (Decent) Jobs

- Draw on lessons from workforce development field—particularly sector-based training and post-employment support.
- Partner with local businesses.
- Leverage State-level policy for integrated services
- Partner with WIA for job creation and community service employment.
- Extend and deepen data capacities.

State and Territorial TANF programs are facing the challenge of meeting the current WPR requirements as unemployment rates rise or remain static at relatively high levels. Under current policies, TANF programs are simultaneously working to provide financial, social, and employment support services. Performing all of these tasks in a difficult employment climate, while also worrying about meeting Federal WPR requirements, is placing tremendous pressure on State agencies. TANF participants are competing with the general population for the small number of available jobs. For example, at the end of the Great Recession, there were 4.3 applicants for every job compared with 2.8 applicants for every job at the end of the recession in 2001.

During the discussion, Dr. Rehner Iversen suggested shifting the conversation about TANF from one of welfare, poverty, and safety nets to a conversation about the working poor and a continuum of work supports. Currently, 44 million adults work full-time yet are still considered poor and one in four working parents are poor. Work supports such as the EITC and Universal Health Care can help these individuals and families move out of poverty. Wages must also be addressed if TANF participants are to move successfully out of poverty. If the minimum wage in 2010 were to match the buying power of the 1947 minimum wage of \$3.40, it would need to be \$32.71 per hour. However, in 2010, the actual minimum wage was \$7.25 per hour. If TANF participants become employed in these low-wage jobs, they will not be able to move to self-sufficiency on earnings alone. Dr. Rehner Iversen provided some ideas to help people get (decent) jobs (see Figure 21).

At the State Level, policy changes should reflect the benefits of integrated services. Many components must come together in order for low-earning families to move toward self-sufficiency. When welfare and workforce services are integrated, staff knowledge is increased and participants can benefit from an extended menu of resources and less societal stigma. No stand-alone policy will, by itself, reduce unemployment and help welfare recipients get good jobs.

⁴⁰ This presentation is available on the Welfare Peer Technical Assistance Network at:

http://peerta.acf.hhs.gov/uploadedFiles/TANF%20at%2015%20Plenary_Roberta%20Iversen_PPT%20508.pdf.

⁴¹ Rehner-Iversen, R., & Armstrong, A. L. (2006). *Jobs Aren't Enough: Toward a New Economic Mobility for Low-Income Families*. Philadelphia: Temple University.

The future of low-, middle-, and high-skill jobs in the United States is unclear. It is clear, however, that there will be ongoing demand for low-skill jobs and thus there must be a continued focus on basic education and literacy among TANF participants. Research suggests, however, that 200 hundred percent of the Federal Poverty Level is the basic level for self-sufficiency, an income rate that generally requires education beyond a high school diploma. Yet, the solution is not simply more education. The growth, or lack thereof, of middle-skill jobs needs to be tracked carefully, and education and training initiatives need to be targeted to high growth occupations.

To prevent participants from being “left behind,” Dr. Rehner Iversen suggests making use of the 20 percent allowance for exemptions and referrals, particularly for those with mental health and substance abuse issues. Placing participants in jobs assumes that they are capable of being trained and entering and retaining employment. Expansion of assessment practices can help case managers make extension and exemption decisions by assisting them in identifying depression and anxiety through assessments such as the CED-S, a self-administered, community-based depression assessment. By “thinking outside of the box,” partnering with outside organizations, and advocating for fair, helpful, and workable family components to TANF, agencies can improve their ability to move families to self-sufficiency.

Discussion

Following Dr. Rehner Iversen’s presentation, meeting attendees engaged in a discussion of the innovative strategies she suggested. Many attendees were interested in the projected educational level necessary for many high demand jobs. While many jobs will require some type of degree or certificate, a four-year degree will not be necessary. Many TANF clients, however, find attending community college challenging because they have to go to school full-time in order to qualify for Pell Grants, a difficult task for individuals juggling other responsibilities such as employment and child care. While a postsecondary degree is not necessary for all jobs, credentials beyond a high school degree or GED are often essential.

Conclusion and Next Steps

The *TANF at 15: Where Do We Go From Here? – 2011 Tri-Regional TANF Directors’ Meeting* was effective in providing State and Territory TANF Program Directors in OFA Regions I, II, and III with the opportunity to strategize and collaborate with their peers, ACF and OFA leadership, and national TANF researchers and experts.⁴² During this two and a half day technical assistance activity, meeting attendees posed questions about their TANF programs and provided recommendations for TANF reauthorization and administrative flexibility to ACF and OFA leadership. Meeting attendees also shared promising strategies to assist their peers in overcoming current challenges, and heard from national TANF experts and researchers on innovative approaches being implemented across the country.

⁴² The *2011 Tri-Regional TANF Directors’ Meeting* was a success in the eyes of the evaluation respondents. They appreciated the knowledge gained about innovations in other States and Territories, available services, TANF flexibility, and opportunities for collaboration. Respondents also referenced the dedication of the conference facilitators and appreciated the meeting content as well as the breadth of material covered. Many respondents reported their intended application of the subject matter when they return to their programs, and in order to continue learning more about enhancing their programs, many had already initiated new partnerships with meeting attendees and speakers.

US Department of Health and Human Services Administration for Children and Families, Office of Family Assistance, (2011). *Tri-Regional TANF Directors’ Meeting Evaluation Summary*.

Finally, meeting attendees had an opportunity to think critically and strategically about the history of the TANF program and its future, and to identify technical assistance needs. Meeting attendees were referred to resources such as the Welfare Peer Technical Assistance Network and relevant research to address technical assistance needs.

In addition to the current, free resources available, TANF State and Territory Program Directors will continue to participate in technical assistance activities funded by OFA. The *2011 Tri-Regional TANF Directors' Meeting* was one of many elements of the ongoing technical assistance provided by Regions I, II, and III and OFA Central Office. Additional follow-up and wrap-around support will be customized to help programs overcome programmatic obstacles identified during this activity. Working with the OFA Regions I, II, and III staff, each State and Territory will develop a targeted technical assistance strategy that is meant to ensure the effectiveness of the TANF program to respond to the needs of its participants. This is an investment in each State and county program that will build and maintain strong, in-house foundations for effective service development, administrative flexibility, and program responsiveness to improve economic self-sufficiency outcomes for low-income individuals and families.