

# TANF Education and Training

Kentucky's Ready to Work Program



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Kentucky's Ready-to-Work program helps TANF recipients pursue postsecondary degrees and credentials at Kentucky community and technical colleges. The program is a collaboration between the Kentucky Cabinet for Health and Family Services, which operates Kentucky's TANF program, known as the Kentucky Transitional Assistance Program (K-TAP), and the Kentucky Community and Technical College System (KCTCS). It provides students with services that include work-study opportunities, support services, and academic and employment counseling. Work-study participants often start off with jobs at their colleges or at local non-profit organizations. Once they have adjusted to the work environment and learned basic work skills such as punctuality and reliability, they typically begin an assignment in the field they want to enter, an opportunity that provides them with invaluable experience and exposure. Throughout their work-study participation, they earn an hourly wage that ranges from the minimum wage, \$7.25 per hour, to around \$8.25 per hour. While Ready-to-Work does not pay tuition costs directly, students who do not receive enough financial aid to pay the full cost of college attendance can use work-study income to pay tuition, decreasing reliance on loans. Work-study income does not affect TANF eligibility or reduce benefits.

Ready-to-Work coordinators, who are paid with federal TANF funds but are employees of individual community/technical colleges, serve as on-campus case managers. They help students arrange financial aid, work with local TANF offices to ensure that students receive support services such as transportation and child care, and recruit TANF recipients into Ready-to-Work. In their role as recruiters, coordinators often attend TANF orientation sessions for new recipients and actively seek out potential students. Finally, Ready-to-Work coordinators provide counseling to students at risk of dropping out of college, and connect students with educational and employment support, including tutoring, career counseling, job placement, and post-graduation follow-up. Ready-to-Work coordinators encourage Ready-to-Work students to pursue education that will unlock the doors to high-demand fields that pay workers a family-sustaining wage.

Ready-to-Work also includes a sub-program, "Work and Learn," which serves TANF recipients who are in adult basic education working toward their GED, and those who have a GED or high school diploma but need remedial education before they can begin postsecondary education. Work and Learn coordinators identify prospective Work and Learn students from within the TANF population and the existing adult education population, connect them to relevant programs, coordinate with TANF agencies to ensure that they receive necessary support services, and transition them into postsecondary education (often directly into Ready-to-Work). Work and Learn students also receive TANF-funded work-study placements supported by the Work and Learn coordinators.

## By The Numbers

- **Year started:** 1999
- **Approximate annual enrollment:** 2,000
- **Annual cost:** For the 2010 fiscal year, \$10.8 million, \$7.7 million of which was earmarked to fund work-study.
- **Performance Measures:** A 2004 longitudinal study conducted by the Kentucky Legislative Research Commission found that, compared to former participants in other TANF work activities, the former participants in jobs skills education had the highest “entering employment” rate, the highest percent still employed after four quarters, and the highest average annual wage (by more than \$3,500) of those employed for four quarters.<sup>1</sup> Ready-to-Work students make up the vast majority of job skills education participants.

## RTW and TANF Work

Kentucky's state TANF policy officially allows students 24 months of post-secondary education without an additional work requirement. In practice, Kentucky tries very hard to count as many students as possible toward the federal work participation rate. Because so many Ready-to-Work students were counted as participating in vocational education, in the 2009 fiscal year Kentucky exceeded the 30 percent cap on the share of federally countable participants who meet work requirements through vocational education or high school attendance. In response, the state greatly

## TANF Work Participation Rates

States face financial penalties unless they engage 50 percent of adults in families receiving TANF-funded assistance in a limited number of countable work activities for a specified number of hours per week. Education and training activities only count toward these hours to a certain extent. No more than 30 percent of individuals counting toward a state's work participation rate can be counted in vocational education or high school attendance (for minor parents), and no individual can be counted as participating in vocational education for more than 12 months. After those first 12 months, hours spent in education and training programs can count as job skills training or education related to employment, but only when combined with at least 20 hours of participation a week in employment or another core TANF work activity.

The Deficit Reduction Act of 2005 (DRA) for the first time imposed the work requirements on recipients of assistance funded with state-only money that is claimed toward the TANF maintenance of effort requirement, and it made other changes that effectively increased the work participation rate targets that states must meet. Additionally, the regulations implementing the DRA require that all hours of participation be verified and documented, which poses significant challenges to institutions educating TANF participants. For more information on the TANF work participation requirements and the changes made by the DRA, please see *Implementing the TANF Changes in the Deficit Reduction Act: “Win-Win” Solutions for Families and States*, available at [www.clasp.org/WinWin](http://www.clasp.org/WinWin).

As a result of these restrictions, and a general “work-first” approach, many states allow only very limited access to education and training for TANF recipients. However, some states have found ways to work within the federal requirements and provide valuable educational opportunities to parents receiving TANF. This brief is one in a series that profiles promising approaches to supporting education and training programs under TANF in spite of the limits imposed by the federal rules.

<sup>1</sup> Greg Hager, et al., “Improving Fiscal Accountability and Effectiveness of Services in the Kentucky Transitional Assistance Program,” *Legislative Research Commission Program Review and Investigations Committee*, June 20, 2004. <http://www.lrc.ky.gov/lrcpubs/RR%20321.pdf>

increased the Ready-to-Work work-study budget—from \$2 million to \$7.8 million—to provide more Ready-to-Work students with at least 20 countable hours of work-study participation. Work-study counts as subsidized employment, a core federal work activity, and hours of college attendance can then be counted as job skills training, a secondary federal work activity which is not capped. Work-study participation also allows the state to count toward the federal work participation rate those students who have exhausted their one year of federally countable vocational education. The state lifted a long-standing \$2,500 per student cap on TANF-funded work-study spending, although it imposed a 30-hour per week cap on work-study participation in order to ensure that as many students as possible meet the work participation rate requirements.

## Documentation and Verification Requirements

The Ready-to-Work and Work and Learn coordinators are responsible for documenting and verifying hours. Time sheets and payroll records make work-study hours easy to document and verify. It is more difficult to document and verify time spent in class and on homework. Teachers must sign students in and out of class, college officials such as coordinators, librarians, and learning lab facilitators must supervise and document countable study time, and coordinators must check that students have acquired all necessary signatures and have correctly completed all relevant forms. Documenting and verifying hours for the many students who are taking online courses is a particular challenge. Thirty-two percent of Ready-to-Work students took online courses in the spring of 2007, the last semester for which data is available. That number is likely to have increased. In order to tabulate time spent online, the state spends \$10,000 annually on a software license for Provost Pulse, a program that tracks mouse clicks within the Blackboard system (the instructional platform used by KCTCS online). This software is an imperfect solution: many students sign into the Blackboard system, download their assignments, and complete their assignments offline or through a non-Blackboard internet application, so the software is unable to track mouse clicks. Despite these difficulties, the state is committed to counting every possible hour of work participation and recently renewed the software license.

## Crucial Innovations

**The emphasis on work-study allows Ready-to-Work to serve more students for longer periods of time.** Ready-to-Work coordinators first establish whether students are eligible for federal work-study money before arranging for the provision of TANF work-study money. In the fall of 2009, 59 percent of Ready-to-Work students participated in TANF-funded work-study, and 19 percent participated in federal work-study (some may have received funds from both). TANF-funded work-study placements can be either on- or off-campus, in either the public or private sector. As previously mentioned, work-study money has helped Kentucky with its federal work participation rate by increasing the number of Ready-to-Work students who count as participants. Additionally, work-study income has benefited Ready-to-Work students and their children. Because Ready-to-Work places work-study students in jobs both on- and off-campus, in both the public and private sectors, students generally are able to find work in the fields they plan to enter. They begin their careers while still in school and can make connections with potential employers. Additionally, the money students earn from participation in work-study jobs helps them afford to continue to attend class.

**Ready-to-Work's network of counselors keeps enrollment high and increases program retention.** Ready-to-Work coordinators serve as case managers, recruit students into the program (thus ensuring that a large number of students know about Ready-to-Work), assess student performance in the program, target students who might be at risk of dropping out, and provide all students job placement assistance. Additionally, Ready-to-Work coordinators work closely with the local TANF agencies to ensure that Ready-to-Work students receive necessary support services. Ready-to-Work and Work and Learn coordinators work together to create bridges between remedial education and credit-bearing post-secondary education. A final set of counselors—Targeted Assessment Program counselors—are mental health professionals based at local TANF offices. These counselors, while not directly associated with the Ready-to-Work program, help address any mental health, domestic violence and substance abuse issues that may arise among Ready-to-Work and Work and Learn participants. Additionally, the Targeted Assessment Program counselors help ensure that students dealing with these types of issues get the professional help they need to succeed in school.

**Increased spending on work-study has enabled Kentucky to draw down TANF Emergency Funds.** As noted earlier, Kentucky increased the Ready-to-Work work-study budget in 2010 to provide more Ready-to-Work students with at least 20 countable hours of work-study participation. Based on this increase, Kentucky submitted an application to the U.S. Department of Health and Human Services for TANF Emergency Funds under subsidized employment, equal to 80 percent of the increase in spending.

**Constant evaluations of Ready-to Work help maintain public and political support.** Ready-to-Work has consistently maintained public and political support, in part due to data assembled at the end of every semester comparing the academic achievement of Ready-to-Work students with other students in the KCTCS system on measures such as retention rate and grade point average. Additionally, Kentucky commissioned a 2004 longitudinal study comparing Ready-to-Work students to the broader TANF population in Kentucky. Studies consistently show that Ready-to-Work is a cost-effective way of improving education and employment outcomes for Kentucky's TANF recipients. Thus, when challenged, Ready-to-Work supporters have readily available data showing how valuable the program is to Kentucky's TANF population.

**Kentucky law requires that TANF recipients be periodically informed about the option to participate in education and training activities while receiving support services.** TANF recipients at several points in time must receive information on the option to participate in education and training while they receive support services: during their initial eligibility determination, at any subsequent planning and referral meetings, and again at least once per year, no less than six weeks before the start of the fall semester at KCTCS institutions. This information increases the number of potential students who sign up for Ready-to-Work.

## Challenges

**Ready-to-Work eligibility was recently limited only to recipients of TANF cash assistance.** Around 2002, the Kentucky TANF agency agreed to extend Ready-to-Work services to any TANF-eligible KCTCS students, even if they were not actually receiving K-TAP benefits. However, in January 2009, Ready-to-Work began to run out of TANF work-study funds, forcing the Cabinet to request that Ready-to-Work limit enrollment only to recipients of TANF cash assistance. Although the work-study budget has since increased

dramatically, the contract authorizing Ready-to-Work was modified, effective July 1, 2009, to codify this enrollment limit. This change significantly decreased the number of students who can benefit from Ready-to-Work. When Ready-to-Work eligibility was broader, the program frequently served over 2,500 people annually. The number of Ready-to-Work participants recently fell below 2,000 annually. While that number is now close to 2,000, it would likely be significantly higher if the many TANF-eligible non-recipient students were able to take advantage of the program.

**Recruiting Ready-To-Work participants in Kentucky's largest urban area has been an ongoing struggle, although recent changes provide reason for optimism.** According to program administrators, the share of TANF recipients in Jefferson County (home of Louisville, with the state's largest TANF population) who participate in Ready-to-Work traditionally has been substantially lower than the statewide average. In the past, Ready-to-Work had some difficulty recruiting students in Jefferson County. One reason is that so many different opportunities exist for TANF recipients in the county that caseworkers often failed to provide new TANF recipients with sufficient information about all available options. Additionally, many Jefferson County caseworkers believed that Ready-to-Work coordinators took too long to get students into countable activities and preferred to refer incoming TANF recipients to other activities. To combat these problems and simultaneously increase the statewide work participation rate, Kentucky assigned additional Ready-to-Work coordinators to Jefferson County, co-locating them in the local TANF offices to better support Ready-to-Work recruitment and referrals. Ready-to-Work administrators are hopeful that this change will make Ready-to-Work more accessible to Louisville's TANF population; the most recent participation rate data indicate that referrals to Ready-to-Work in Jefferson County were up by 37.7 percent in the fall of 2009, as compared to the fall of 2008.

## For More Information

### Visit

Ready-to-Work homepage

<http://legacy.kctcs.edu/readytowork/>

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