

**Mandatory Work-Related Activities for
Welfare Recipients:
The Next Step in Welfare Reform**
Marie Cohen

Welfare Reform Academy Working Paper No. 1
October 2001



Maryland School of Public Affairs
Welfare Reform Academy

www.welfareacademy.org

Mandatory Work-Related Activities for Welfare Recipients: The Next Step in Welfare Reform

Marie Cohen

Ask any person on the street what welfare reform is all about, and chances are the answer would be “work.” And yet this is not really the case. Welfare reform did make it much harder for people to get on welfare, and as a result many single mothers are working instead of receiving benefits. But once a family actually begins receiving benefits, welfare reform has not resulted in a requirement to work or engage in work-related activities. Yet, if states do not begin doing a better job of involving TANF recipients in activities that will help them become self-sufficient, they may soon face the agonizing choice of whether to cut these recipients and their children off the rolls when they reach time limits on TANF receipt.

Over the years, there have been many programs that seek to move welfare recipients into regular jobs. Most of these programs, however, have been small and, at best, have had modest success in helping welfare recipients enter the workforce. This paper describes the mandatory work related activities for welfare recipients under the Temporary Assistance for Needy Families (TANF) program. It highlights the surprising lack of participation in work-related activities by most welfare recipients. It explains why mandatory participation is so important and describes the different activities that states can require of welfare recipients, briefly discussing what the research says about these activities. It then goes on to discuss steps that states and localities can take to make participation in activities truly mandatory for TANF recipients. Finally, an appendix summarizes the employment component of six welfare programs, in Wisconsin, Montana, Oregon, Utah, New York City and Montgomery County, Ohio.

A Surprising Lack of Change

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) abolished Aid to Families with Dependent Children and replaced it with TANF. The act has been given much of the credit for the sharp decline in welfare caseloads. By September 2000, the welfare rolls had fallen 57 percent from their historic high of 5 million families in March 1994—a decline of 8.5 half million people. However, while states have apparently been

successful at “diverting” welfare applicants so that they never get on the rolls, they have not been as successful at establishing the kind of work programs that are needed for families that are on the rolls.

Perhaps what has changed most since PRWORA is the application process for welfare. Before applicants can receive assistance, they are often required or strongly encouraged to look for work or seek support from other sources. For example, in New York City’s “Job Centers,” all TANF applicants are encouraged to look for work or to seek support from relatives or other sources. Those who nevertheless decide to apply must undergo a thirty-day assessment period during which they complete the application process and participate in a rigorous job-readiness and job search regimen. At the end of this period, receipt of assistance is contingent on participation in approved work-related activities, usually including the city’s work experience program.

Despite the widespread use of diversion, the treatment of people once they get on welfare has not changed as much as many people think. When PRWORA passed, many analysts expected states to develop large mandatory work programs to meet the new federal participation requirements. However, because these requirements were set in relation to 1995 caseloads, the sharp decline in the rolls since that time has made such programs unnecessary—and few places beyond Wisconsin and New York City have established them.¹

It is important to note that this paper is not simply about requiring welfare recipients to work. While providing services to the community through unpaid “work experience” may be an appropriate activity for many welfare recipients, searching for a “real job,” finishing one’s high school education, or even getting drug treatment may be more appropriate for others. We refer to all of these activities as “work-related activities” because they either simulate paid employment or prepare the participant for such employment.

According to a review of state policy manuals conducted by the Urban Institute, all states require some or all TANF adults to engage in work-related activities at some point after TANF receipt. Thirty-two states require participants to engage in work-related activities as soon as they begin receiving TANF benefits, one requires participation at the point of application, four require it after assessment or orientation, four require it within three months or less, and five states give recipients twenty-four months before they have to participate.² Moreover, according to state policy information collected by the Center for Law and Social Policy and the Center on Budget and Policy Priorities, all states require TANF recipients to sign an employability plan or personal

¹Douglas J. Besharov and Peter Germanis, “Welfare Reform—Four Years Later,” *The Public Interest*, (Summer 2000), p. 21.

²Gretchen Rowe, *State TANF Policies as of July 1999* (Washington, D.C.: Urban Institute, November 2000), pp. 92-93, available from: <http://newfederalism.urban.org/pdf/Wrd.pdf>, accessed September 19, 2001. Information was not obtained from three states.

responsibility contract outlining their participation in work activities and sometimes their compliance with other behavioral requirements as well.³ Failure to comply with this agreement can result in a reduction or termination of cash assistance.

Yet, according to data collected by the U.S. Department of Health and Human Services (HHS), the majority of TANF recipients are neither working nor participating in work-related activities. (See Table 1.) About 585,000, or 28 percent of adult TANF recipients, had paid jobs in FY 1999.⁴ Another 300,068—or 14 percent—were participating in work-related activities, such as job search (6 percent) and vocational education (3 percent). Only small percentages were engaged in activities that provided direct work experience of some sort. Only 4 percent were in “work experience” programs, 1 percent in community service, and less than 1 percent each in on-the-job training and subsidized public and private employment. The remaining 1.2 million—58 percent of adult TANF recipients—were not reported as participating in any work-related activities that counted toward federal participation requirements, although some may have been engaged in activities, such as drug or mental health treatment, that are counted by their states as participation but not by the federal government. The large number of people who are not involved in work-related activities is rather surprising in light of the widespread belief that welfare reform is all about work.

At no level of government do officials seem to be paying much attention to this apparently weak link between TANF receipt and work. In our conversations with state and county officials, it was clear that many had very poor data on the numbers of people participating in various activities, and many do not seem to be using the data that they have. The data that states submit to HHS seems to have little meaning or utility to state officials, and discrepancies in the data for some states suggest that the numbers may be inaccurate. Yet there appears to be very little concern about either the quality of the data or the apparently large numbers of people who are not participating in activities.

³Center for Law and Social Policy and Center on Budget and Policy Priorities, *Findings in Brief: TANF Applications* (State Policy Documentation Project website, March 2000), available from: <http://www.spdp.org/tanf/applications/appsumm.htm>, accessed September 19, 2001.

⁴In some states, a parent can be employed part-time or even full-time at the minimum wage and still be eligible for TANF because the state disregards (does not count) a certain amount or proportion of earned income in the calculation of welfare eligibility and benefits.

Table 1. Participation in Work Activities by Adult TANF Recipients, Fiscal Year 1999

Group	Number of Adult Recipients	Percent of all Adult Recipients
Adult TANF recipients ^a	2,112,143	100%
Adult recipients not participating in any work-related activity	1,226,679	58%
Adult recipients participating in one or more work-related activities	885,464	42%
Recipients combining work and welfare ^b	585,396	28%
Recipients in other work-related activities ^c	300,068	14%
Recipients in job search	125,244	6%
Recipients in work experience	78,225	4%
Recipients in vocational education	63,730	3%
Recipients in community service	31,273	1%
Recipients attending school	30,394	1%
Recipients in job skills training	19,732	1%
Recipients in education related to employment	17,079	1%
Recipients in on-the-job training	7,140	<1%
Recipients in subsidized public employment	4,162	<1%
Recipients in subsidized private employment	3,982	<1%
Recipients providing child care	796	<1%

Source: U.S. Department of Health and Human Services, *Temporary Assistance for Needy Families Program: Third Annual Report to Congress* (Washington, D.C.: U.S. Department of Health and Human Services, August, 2000), pp. 48-49, available from: <http://www.acf.dhhs.gov/programs/opre/annual3.pdf>, accessed 9/19/10.

^a Includes minor heads of household.

^b Includes recipients who are employed part-time or full-time and are still eligible for TANF, often because they live in states that “disregard” (do not count) a certain amount or proportion of earned income in the calculation of welfare eligibility and benefits.

^c Since people may be in multiple activities, components sum to more than 300,068 adult recipients and percentages of recipients in “other work-related activities” sum to more than 14 percent.

Why Is Mandatory Participation So Important?

Unless states can find ways to make participation in work-related activities truly mandatory for TANF recipients, not just mandatory on paper, these low participation rates will continue. Indeed, making participation truly mandatory may be described as the next step in welfare reform. There are several mechanisms by which it can have a beneficial effect.

- **Mandatory participation can provide the incentive to get a “real” job.** There are some people who need only a little jog to urge them to get off welfare. Truly mandatory participation may provide that incentive. If people knew that being on welfare meant showing up somewhere every day, whether for job search, training, or actual work, they might be more eager to find a job that pays better than welfare benefits. Using data from an evaluation of two welfare-to-work programs, the Manpower Demonstration Research Corporation (MDRC) attempted to distinguish the effect of the mandate to participate from the effect of the activities that a person participates in. The researchers concluded that participation mandates increase employment and earnings and reduce welfare receipt among those mandated to participate because they attempt to avoid the mandate by increasing work hours and/or avoiding welfare receipt altogether.⁵ Several officials in states and counties with strict participation mandates told us that such mandates discourage some people from applying for, or staying on, welfare, although none had hard data to substantiate this.
- **Mandatory participation can help make some people employable.** Some welfare recipients need a little or a lot of help before they can hold down a regular job. Mandatory participation can be used to give these people the help they need but might not voluntarily choose to obtain. Work experience, community service, or any activity where a person does actual work may increase her confidence, provide her with job skills, and perhaps provide her with recommendations to use in the labor market. Education and training may provide her with skills that are useful in the labor market. And some people may need to obtain mental health or substance abuse treatment before they are able to work.
- **Mandatory participation can provide a way out of time limits for those who may never be able to leave welfare.** There are some welfare recipients who may never be able to hold down a “real” job because of physical or mental problems. Yet, PRWORA prohibits federal support for more than sixty months of benefits per family. This limit is now approaching in all states, and some states have chosen to adopt shorter limits that have already taken effect. States may exempt up to 20 percent of their caseloads from the federal time limit based on hardship or domestic violence, and those that wish to continue benefits beyond that point for more than 20 percent may do so with their own funds, but we do not know how many are going to do so. We do not want to leave these parents and children destitute when their welfare benefits expire. Yet, the American public is unlikely to support continuing cash assistance for those people unless they do some work in return for their benefits. Mandatory participation in activities that benefit the community can assure the public that this is occurring.

⁵Jean Tansey Knab, Johannes M. Bos, Daniel Friedlander, and Joanna W. Weissman, *Do Mandates Matter? The Effects of a Mandate to Enter a Welfare-to-Work Program* (New York: Manpower Demonstration Research Corporation, November, 2000), available from: www.mdrc.org/reports2001/NEWS-IMtoJOBS/NEWS-IMtoJOBS.htm, accessed September 19, 2001.

Until now, federal requirements have not provided significant incentives for states to strive for higher levels of participation. PRWORA does not have a direct requirement that TANF recipients participate in work or related activities. Instead, the law requires state plans to specify how they will require TANF recipients to work within twenty-four months of receiving TANF or when work-ready, whichever is sooner. In addition, an increasing percentage of recipients must be involved in “work activities” for an increasing number of hours. As mentioned above, these “participation standards” have not been a major issue so far, because most of the requirements have been fulfilled by people who are combining welfare with work, and because of the way the required participation rates have been calculated. As required by PRWORA, the rate for each state has been reduced based on the percentage decline in its caseload. As a result, forty-three states were required to meet an “adjusted” participation rate of 10 percent or less in 1999, and twenty-three states had caseload declines so large that they did not have to place anyone in a work activity. In 2002, 50 percent of all families and 90 percent of two-parent families on TANF must be participating in allowable activities for at least thirty hours per week for single parents, twenty hours for single parents with a child under six, and thirty-five hours for two-parent families. But the adjusted rates will likely be much lower.

What Can States Require TANF Recipients To Do?

A long list of activities is counted toward PRWORA participation requirements, but neither the Act nor the regulations define them, and there is no common agreement on what the terms mean and how some differ from others⁶. As a result, states have considerable leeway in designing activities to meet the PRWORA requirements. The main types of activities states can provide, along with the PRWORA categories that might apply, are discussed below.

- **Job search and job readiness assistance.** This category encompasses brief classes in job search and basic work skills, such as how to dress and the importance of arriving on time, as well as assisted or unassisted job search. PRWORA limits job search and job readiness assistance to six weeks per individual or twelve weeks if the state unemployment rate is 50 percent greater than the national rate. Only four consecutive weeks of job search and job readiness assistance can count as a work activity for the purpose of meeting PRWORA's requirements.
- **Education and training.** PRWORA lists several allowable activities that fit under the umbrella of education and training. These include “vocational educational training,” “job skills training directly related to employment,” “education directly related to employment,” and secondary school attendance. Because of PRWORA’s “Work First” emphasis, the degree to which education and training can count toward participation

⁶See Steve Savner, *Glossary of Work Program Terms* (Washington, D.C.: Center for Law and Social Policy, November 1997), available from: www.clasp.org/pubs/jobseducatin/GlossWPT.html, accessed September 19, 2001.

requirements is limited. "Vocational educational training," beyond twelve months for any individual does not count toward PRWORA participation requirements. Three other activities—"job skills training directly related to employment," "education directly related to employment," and secondary school or GED programs—cannot count toward meeting the first twenty hours of participation for any families, except for education, if the parent is a teen head of household. Thus, in 2002, these activities can count toward only the last ten hours of the participation requirement for most single parents on welfare. In addition, no more than 30 percent of individuals who are counted as "engaged in work" for the purposes of meeting TANF work requirements can be so counted by reason of their participation in vocational educational training or by being teen parents engaged in education.

- **Work experience (unpaid work).** The term "work experience" usually refers to unpaid work for a public or nonprofit agency.⁷ This activity can be seen as a way both to give people needed experience in the workplace and to require work in exchange for welfare. However, the U.S. Department of Labor has ruled that welfare recipients in workplace activities are workers rather than trainees unless their placement meets fairly stringent criteria for training. As a result, they are subject to worker protections including the minimum wage.⁸ Therefore, welfare recipients in work experience generally cannot work more hours than their TANF grant (plus their Food Stamp grant if the state has a Food Stamp workfare program) divided by the minimum wage. Because participants in unpaid work experience receive only their welfare payments, their payments are not subject to payroll or income taxes but cannot be used as a basis for Earned Income Tax Credit (EITC) eligibility.
- **Providing child care for a person participating in community service.** This is a new opportunity provided by PRWORA, but it has not been widely used by states. A monthly average of only 796 people from thirteen states participated in this activity in FY 1999, according to state reports to the federal government.
- **Subsidized employment.** States and counties can use TANF funds, as well as other funds, to reimburse an employer for all or part of the cost of employing a welfare recipient. Some states have used "grant diversion," whereby states or localities "divert" all or part of the welfare grant to an employer that agrees to hire a welfare recipient. More recently, several states and localities have created publicly funded jobs programs in the

⁷Work experience is an allowed activity under TANF; this activity could also be categorized as "community service" or "on-the-job training," which are also allowable activities.

⁸These criteria include the requirement that employers not benefit from the activities of the trainees. See U.S. Department of Labor, *How Workplace Laws Apply to Welfare Recipients* (Washington, D.C.: U.S. Department of Labor, 1997, revised 1999); available from <http://www.dol.gov/asp/w2w/welfare.htm>, accessed September 19, 2001.

public or nonprofit sectors, often funded by the TANF and sometimes Food Stamps grants that would otherwise have gone to the participants. Positions are usually temporary and reserved for TANF recipients who do not find jobs after a specified period of job search. Because participants in subsidized employment receive wages rather than benefits, they are eligible for the EITC and their wages are subject to payroll taxes.⁹

- **Subsidized employment for the hard-to-serve.** There are several different models of subsidized employment that are targeted to people who are either disabled or have other serious barriers to employment. Many of these models are based on either the National Supported Work Demonstration of the 1970s or supported employment programs for the disabled.¹⁰ Some of these programs serve only TANF recipients and some serve others as well, but all involve some combination of pre-employment preparation, paid work, close supervision, gradually increased performance expectations, and formal and informal support mechanisms. Program size ranges from five to 6,000 clients.
- **Unsubsidized employment.** Because of income disregards, or because they work part-time or have large families, many individuals remain eligible for TANF even when working. And this work counts as an activity for TANF recipients. And as we have seen, most people counted as participating in work activities are actually working in unsubsidized jobs. These people are usually receiving cash assistance but they may also receive other services in order to help them retain their jobs or advance to better jobs. For example, some states and counties are helping working TANF recipients get further education or training. For TANF recipients with disabilities who would be unable to hold any job without assistance, some states and counties have begun using programs that place such TANF recipients into unsubsidized jobs but provide them with extensive support by job coaches or employment specialists.¹¹
- **Activities not counted under PRWORA.** Because most states have had no trouble meeting their federal participation requirements for single-parent families, they also have the opportunity to use activities that do not count toward PRWORA participation requirements. Some states are using this flexibility in order to allow some TANF recipients to obtain services they need for self-sufficiency, such as drug treatment, mental

⁹Subsidized employment programs could be placed in the PRWORA categories of “subsidized public employment,” “subsidized private employment,” “on-the-job training,” “community service” or “work experience,” since none of these terms are defined.

¹⁰These programs, along with programs supporting the the hard-to-employ in unsubsidized employment, are described in a new report by LaDonna Pavetti and Deborah Strong, *Work-Based Strategies for Hard-to-Employ TANF Recipients: A Preliminary Assessment of Program Models and Dimensions* (Washington, D.C.: Mathematica Policy Research Inc., 2001), available from: <http://www.mathematica-mpr.com/PDFs/workbasedTANF.pdf>, accessed September 19, 2001.

¹¹See Pavetti and Strong.

health counseling, or adult literacy. Often these services are provided in conjunction with some form of work experience or subsidized employment.

What Does the Research Say about the Different Types of Activities?

There is an enormous literature on the effectiveness of programs that attempt to promote the entry of welfare recipients into the labor force. However, many of these studies were conducted before the implementation of time limits, expanded earnings disregards, increases in the Earned Income Tax Credit, and expanded availability of Medicaid for the working poor. Therefore, we do not know the extent to which the results are applicable today. We do not attempt to synthesize the welfare-to-work evaluation literature here but rather to highlight a few results relevant to the effectiveness of specific welfare-to-work activities.

- **Job search first or education first?** In a recent publication, the Manpower Demonstration Research Corporation (MDRC), synthesized the results of twenty-nine welfare reform initiatives it evaluated over the past fifteen years.¹² The authors concluded that “job search first” and “education first” programs produced similar overall gains in employment and earnings in the long-run. However, programs that fell in between the two extremes, with some recipients starting by looking for work and others starting with education or training, were the most effective.
- **Unpaid work experience.** In a synthesis of research on unpaid work experience programs during the 1980s and early 1990s, MDRC found no employment and earnings increases, but both participants and supervisors reported that the work was meaningful.¹³ MDRC concluded that unpaid work experience can be effective in reinforcing the idea that able-bodied recipients should work for their cash benefits and possibly in involving substantial portions of the welfare caseload, but probably not in increasing employment rates and earnings.
- **Supported work.** The National Supported Work Demonstration in the 1970s tested a work experience model designed for individuals with serious barriers to employment. Participants were placed in structured worksites, operated by nonprofit corporations, and characterized by close supervision, peer support, and gradually increasing demands. The evaluators found that the program had sustained impacts on earnings and welfare receipt

¹²Dan Bloom and Charles Michalopoulos, *How Welfare and Work Policies Affect Employment and Income* (New York: Manpower Demonstration Research Corporation, 2001), available from: <http://www.mdrc.org/Reports2001/NG-AdultSynthesis/NG-AdultResearchSyn-May2001.pdf>, accessed September 19, 2001.

¹³Thomas Brock, David Butler, and David Long, *Unpaid Work Experience for Welfare Recipients: Findings and Lessons from MDRC Research* (New York: Manpower Demonstration Research Corporation, 1993).

for long-term welfare recipients.¹⁴ The implementation of participation standards and time limits under PRWORA has rekindled interest in supported work and similar models as a way to engage hard-to-employ welfare recipients and help them make the transition to regular employment. As a result of this renewed interest, Mathematica Policy Research Incorporated (under a contract from the U.S. Department of Health and Human Services) identified programs around the country that have similar characteristics to the supported work demonstration or supported employment programs for the disabled and has published descriptive information about these programs in a new report.¹⁵

How Can Participation Be Made Truly Mandatory?

In all states, participation in work activities is theoretically mandatory for all TANF recipients except those who are exempted from participation. However, mandatory work requirements attached to Aid to Families with Dependent Children (TANF's predecessor) since the 1960's had little effect. Saying that participation in work activities is mandatory does not automatically translate into a true requirement that everyone who is required to participate actually does so. Requiring participation in practice requires both getting people in the door and keeping them in the program once they start.¹⁶

Limit exemptions and deferrals. States have historically exempted large proportions of welfare recipients from work activity requirements. Under JOBS, the welfare-to-work program that preceded TANF, single parents with children under three were exempt from participation, as well as parents who were ill, incapacitated or aged, caring for a disabled family member, and certain other categories. In total, about half of adults receiving cash assistance were exempt from participation, according to the Urban Institute.¹⁷ Under PRWORA, states are free to require or exempt any categories of recipients, but they must also meet their required participation rates or face financial penalties.¹⁸ In a review of state policies, the Urban Institute found that many states

¹⁴Board of Directors, Manpower Demonstration Research Corporation, *Summary and Findings of the National Supported Work Demonstration* (Cambridge, Mass: Ballinger Publishing Company, 1980).

¹⁵Pavetti and Strong.

¹⁶Gayle Hamilton and Susan Scrivener, *Promoting Participation: How to Increase Involvement in Welfare-to-Work Activities* (New York: Manpower Demonstration Research Corporation, September 1999), available from: <http://www.mdrc.org/Reports99/PromotingParticipation.pdf>, accessed September 19, 2001.

¹⁷U.S. Department of Health and Human Services, *State Welfare-to-Work Policies for People with Disabilities: Implementation Challenges and Considerations* (Washington, D.C.: U.S. Department of Health and Human Services, August, 2000), p. 5, available from: <http://www.urban.org/pdfs/wel-wrk-2k.pdf>, accessed September 19, 2001.

¹⁸States do have the option of exempting single parents with a child under age one and to exclude such families from participation rate calculations.

have narrowed their exemptions regarding how young a child must be for the parent to be exempt. Many states have also tightened their exemption policies regarding disabilities, either by eliminating these exemptions or by narrowing them. In some of the states that have eliminated such exemptions, recipients with disabilities do not have to participate in work activities that can count toward the federal participation requirements, but they are required to do something, whether it is drug treatment, counseling, or attending parenting classes.¹⁹

Currently, four states require all TANF recipients to participate in work activities, according to information on state policies collected by the Center for Law and Social Policy and the Center on Budget and Policy Priorities. In the remaining states, the most common exemptions are for people who are caring for a young child (twenty-three states exempt adult recipients with children up to age one, sixteen states set this exemption at less than a year, and five set it higher than one year), disabled or ill (thirty-four states), caring for a disabled household member (twenty-eight states), sixty or older (twenty-seven states), victims of domestic violence (twenty-four states), pregnant (twenty states), or unable to find child care (nineteen states).²⁰ However, many states that will not categorically exempt a TANF recipient from participation for a disability or other condition will grant “temporary exemptions,” “deferrals,” or postponements from participation or will consider the condition “good cause” for not participating so the person cannot be sanctioned.

States wishing to involve more TANF recipients in work activities might want to review their policies regarding exemptions and deferrals. One issue they might consider is whether their exemption policies rule out participation by some people who may have medical or mental health issues but are not disabled enough to receive Supplemental Security Income or Social Security Disability payments as an alternative to TANF. Such people are going to hit their TANF time limits if they are not exempted or helped to enter the world of work. In a useful guide to increasing participation in welfare-to-work programs, Gayle Hamilton and Susan Scrivener of MDRC state that deferral policies should be clear so that caseworkers know how to apply them, and recipients in a deferred status should be monitored regularly so that they do not fall between the cracks.²¹ However, a more universal approach may require the availability of special services for those with disabilities and other barriers to employment. Some of these services or activities may not qualify as “participation” under PRWORA. (See the section below on providing extra help for the hard to serve.)

¹⁹Terry S. Thompson, Pamela A. Holcomb, Pamela Loprest, and Kathleen Brennan, *State Welfare-to-Work Policies for People with Disabilities—Changes Since Welfare Reform* (Washington, D.C.: Urban Institute, December 1998), available from: <http://www.urban.org/welfare/wel2work.pdf>, accessed September 19, 2001.

²⁰Center for Law and Social Policy and Center on Budget and Policy Priorities, *TANF Work Activities and Requirements* (State Policy Documentation Project website, January 2001), <http://www.spdp.org/tanf/work.htm>, accessed September 19, 2001. Policies are as of October 1999.

²¹Hamilton and Scrivener, pp. 58-59.

Monitor participation. Monitoring of attendance in activities is key to enforcing participation from the very beginning of a client's involvement with the welfare system. Hamilton and Scrivener point out that some TANF recipients fail to show up for their initial activity (usually orientation) without good cause and are lost to the system. Without adequate monitoring of attendance at activities, a recipient's failure to participate may not be noticed, especially when the participation is in a program operated by another agency, as is often the case. In its research on eleven programs, MDRC found that programs that monitored participation either moderately or intensively had greater participation impacts than those with low levels of monitoring. Among the steps recommended by Hamilton and Scrivener to improve monitoring are: ensuring that staff have time to monitor participation, investing in a well-designed automated tracking system, making participation monitoring a program priority, having the staff maintain frequent contact with participants, improving links between different people who work with the same recipient, and forging close linkages with outside agencies where clients are participating in activities. The authors stress that these activities are time-intensive and states should be sure that programs have enough case managers to carry them out. On the other hand, they report that while there is probably a threshold caseload size above which staff cannot function effectively, MDRC has not found a direct relationship between caseload size and participation.

Use sanctions to enforce participation requirements. According to Hamilton and Scrivener, it is important for states and counties to follow through with sanctions when someone does not cooperate with work requirements, so that TANF recipients understand that the continued receipt of benefits is contingent on participation in program activities. Moreover, recipients need to be informed beforehand of the consequences of not participating. While there is reason to be concerned about the people who may be too disorganized or otherwise dysfunctional to comply with participation requirements, there are things that states and counties can do to make sure that these people are encouraged and helped to participate. Almost all states have a process to resolve compliance issues before a sanction is imposed.²² In some states, this process involves extensive attempts to contact the client and resolve issues that may be preventing participation. For example, before a case can be closed in Oregon, case managers are required to conduct an intensive case management session with the noncompliant adult and usually to make a home visit. In an experimental program in New York City, churches are working under contract to follow up with sanctioned families and try to bring them back into the program.

Under federal law, states must reduce or terminate TANF benefits for recipients who do not comply with the state's work requirements, or face a fiscal penalty. However, states have great flexibility in choosing the amount and duration of the sanction, as well as what the recipient must do for the sanction to be lifted and what constitutes good cause. MDRC found higher participation rates among programs it categorized as "high enforcement," which means that they aimed to enroll most mandatory participants, monitored participation in program activities moderately or

²²Center for Law and Social Policy and Center on Budget and Policy Priorities, *Sanctions for Noncompliance with Work Activities* (State Policy Documentation Project website, June 2001), available from: http://www.spdp.org/tanf/sanctions/sanctions_findings.htm, accessed September 19, 2001.

intensively, and reinforced the mandatory nature of the program through sanctions. Some states have begun using “full family sanctions,” where the entire grant is terminated, as opposed to the more traditional use of partial grant reduction. It seems intuitively obvious that a more severe sanction will be more effective at inducing participation than a less severe sanction, but the information currently available does not support the supposition that a full-family sanction or a longer sanction will always be more effective than a partial or shorter sanction. The impact of a sanction depends on many factors, including the size of the original grant, the proportion that is cut, and the duration of the sanction. Comparing welfare-to-work programs in three states, MDRC did not find that longer sanctions were associated with higher participation rates.²³ Based on a study of one state (Delaware), where the sanction rate actually increased over time after the imposition of a strict sequence of sanctions culminating with an eight-year cessation of cash benefits, MDRC concluded that the imposition of full-family sanctions did not increase participation in the program, according to Hamilton and Scrivener.

Reduce periods of inactivity between activities. TANF work program participants often experience periods of “down time” between activities. This may happen when a recipient is waiting for an activity to begin; when a recipient is “deferred” because of a family crisis or illness; or because it takes the welfare agency a while to realize that a recipient lost an unsubsidized job. Among the steps recommended by Hamilton and Scrivener to reduce these periods are getting welfare recipients assigned to activities quickly after the initial orientation or assessment, promoting flexibility in the structure or scheduling of activities (such as open entry/open exit programs), having clear policies on deferral from participation (for a family crisis, for example), closely monitoring participants who are temporarily deferred, and arranging for quick re-entry into the program when participants who are working leave employment.

Provide adequate support services. A TANF recipient cannot comply with the mandate to participate if she does not have someone to care for her children who are too young to be alone or a way to get to her assignment. While some participants already have adequate child care or transportation arrangements, others may need help from the TANF program either to find or to pay for such arrangements. Child care and transportation are the most common support service needs, but some TANF recipients may need to resolve other issues, such as lack of stable housing, medical or legal issues, or family or personal issues, in order to participate in activities. In its evaluations of welfare employment programs MDRC found that shortages of child care slots were associated with lower participation rates.²⁴ For both child care and transportation, a welfare agency may only have to provide funding to enable participants to access available services, or it may need to get involved in creating services that do not currently exist. Hamilton and Scrivener suggest that agencies should allocate sufficient resources for child care and transportation assistance, pay special attention to the child care needs of parents with young children, plan activities as much as possible around the availability of child care and transportation, help participants make backup

²³Hamilton and Scrivener, p. 20.

²⁴Hamilton and Scrivener, pp. 67-68.

arrangements for times when their regular arrangements break down, provide ongoing support to participants as needs change, and be creative in using available resources to meet support service needs. For example, some jurisdictions have helped TANF recipients set up van services to transport others to activities.²⁵

Provide extra help and appropriate activities to the hard-to-serve. Some recipients with problems that might hinder their transition to the labor force, such as very low skills, physical and mental health problems, and substance abuse, may require extra support to participate in program activities. Such support might include intensive case management provided by specially trained staff or contractors. Case management might enable some to participate in regular activities, while others might need special activities designed to resolve their employment barriers. Some states are using less rigorous or more “supported” versions of regular work, such as supported work, work experience coupled with additional services, job coaches, and volunteer activities. Some of these programs are described in the new Mathematica report mentioned above. Some jurisdictions are providing specialized education services and life skills classes.²⁶ Some states and counties, including those profiled in this paper, allow activities such as mental health counseling, substance abuse treatment, basic education, and life skills classes to meet participation requirements. While these activities do not satisfy federal participation requirements, most states still have great latitude because they have many more people participating than the proportion needed to meet participation requirements.²⁷ The U.S. General Accounting Office has concluded that limiting activities to those allowed under PRWORA makes it more difficult to prepare hard-to-employ TANF recipients for employment.²⁸ One option applied by some states and localities is to combine work experience or other federally authorized work activities for the required number of hours with other services not federally authorized, such as drug treatment, but such an approach requires more spending on child care and may not be realistic for parents who are required to spend thirty to thirty-five hours a week on allowable activities.

²⁵For more ideas, see Carolyn Jeskey, *Linking People to the Workplace* (Community Transportation Association of America (CTAA), Revised January 2001); available from: <http://www.ctaa.org/ntrc/atj/toolkit>, accessed September 19, 2001; CTAA, *Access to Jobs: A Guide to Innovative Practices in Welfare-to-Work Transportation* (Washington, D.C.: CTAA, updated July 1999); available from: <http://www.ctaa.org/ntrc/atj/pubs/innovative/>, accessed September 19, 2001; Margy Waller and Mark Allen Hughes, *Working Far From Home: Transportation and Welfare Reform in the Ten Big States* (Philadelphia: Public/Private Ventures and Washington, D.C.: Progressive Policy Institute, July 1999); available from: http://www.ppionline.org/documents/far_from_home.pdf, accessed September 19, 2001.

²⁶Hamilton and Scrivener, pp. 79-81; U.S. General Accounting Office, *Welfare Reform: Moving Hard-to-Employ Recipients into the Workforce* (Washington, D.C.: U.S. General Accounting Office, March, 2001, GAO 01-368), p. 22, available from: <http://www.gao.gov/cgi-bin/gethrpt?rptno=GAO-01-368>, accessed 9/19/01.

²⁷Hamilton and Scrivener, p. 78; U.S. General Accounting Office.

²⁸U.S. General Accounting Office, page 32.

Appendix

Welfare and Work in Selected States

Wisconsin

Wisconsin has received considerable attention for its work-oriented welfare program, “Wisconsin Works,” often called W-2. Wisconsin has been more successful than most states at involving a large proportion of its caseload in work activities. An impressive 82 percent of non-employed TANF recipients were participating in work activities listed in PRWORA in an average month in Federal Fiscal Year 1999, as compared to only 20 percent nationwide.²⁹

Few exemptions. There are no exemptions from participation, except for those who are caring for a child under three months of age, if that child was born ten months or less after the parent was first determined eligible for W-2 or AFDC, and certain TANF recipients who live on Indian reservations.

Wide variety of activities. Each W-2 eligible individual meets with a case manager, called a Financial and Employment Planner, who helps her develop an employability plan and determine her place on the “W-2 Employment Ladder.” Participation in each rung of the ladder (except unsubsidized employment) is limited to twenty-four months, but extensions can be received for clients who have tried but been unable to find unsubsidized employment. The ladder has four rungs.³⁰

- **Unsubsidized employment** is the preferred option. Individuals in unsubsidized employment receive no cash assistance. They do receive case management services and may receive food stamps, Medicaid, and additional W-2 support services to help them adjust to their new work environment and advance to a better position. Such support services may include child care assistance; transportation assistance; short-term no-interest loans of up to \$1,600 for purposes like paying for car purchase, car repairs, uniforms, rent or security deposits, or moving expenses to a new area; and matching grants of up to \$500

²⁹U.S. Department of Health and Human Services, *Temporary Assistance for Needy Families Program: Third Annual Report to Congress* (Washington, DC: U.S. Department of Health and Human Services, 2000), available from: <http://www.acf.dhhs.gov/programs/opre/annual3.pdf>, accessed September 19, 2001. This figure was derived by dividing the number of non-working adults receiving assistance and participating in work activities by the total number of non-working adults receiving assistance.

³⁰State of Wisconsin, Department of Workforce Development, *Wisconsin Works (W-2) Overview* (Department of Workforce Development website, 2001), <http://www.dwd.state.wi.us/desw2/wisworks.htm>, accessed September 19, 2001.

to assist those who want to pursue education or training to obtain a better job. There were 4,374 people in this component in January 2001, or 44 percent of the total of 9,969 adults on the ladder. There is no twenty-four-month time limit for this rung.

- **Trial jobs** (subsidized employment) are an option for individuals who have the basic skills, but lack sufficient work experience to meet employer requirements. The employer provides the participant with on-the-job work experience and training in exchange for a wage subsidy. These jobs are expected to result in permanent employment. There were only thirteen people in this component in January of 2001.
- **Community service jobs** are for individuals who lack the basic skills and work habits they need for a regular job. They receive added supervision and support. Participants receive a monthly grant of \$673 for up to thirty hours of work per week and up to ten hours per week in education or training. There were 3,218 people in this component in January 2001, or 32 percent of adults on the ladder.
- **W-2 transition** is for those who, because of severe barriers, are unable to perform independent, self-sustaining work. They receive a monthly grant of \$628 for up to twenty-eight hours of work training or other employment-related activities (which can include activities such as drug treatment, mental health treatment, and physical therapy, if they are necessary for obtaining employment) and up to twelve hours per week in education and training. There were 2,364 people in this component in January 2001, or 24 percent of adults on the ladder.

Sanctions. Participants receive an hour-for-hour grant reduction based on the number of hours they miss of their work activity. For ongoing nonparticipation, W-2 recipients may receive a “strike.” After three strikes, the individual becomes permanently ineligible to participate in that component of W-2. Out of 7,532 cases, there are 1,609 that are receiving a reduced grant. The average sanction is just over \$300.

Flexibility and creativity. As a state-supervised, county administered system, Wisconsin encourages counties to use flexibility and creativity in meeting local needs, especially as regards activities for people with multiple barriers to employment.

ET success stories in the Green Bay region include the following cases:

- *A single mother of two entered W-2 with a long list of employment barriers, including lack of transportation, low reading and math levels, poor family relationships, and behavioral and physical health problems of her children. Both she and her oldest child had been sexually abused. Through W-2, this mother received a variety of services, including a work experience position at the Door County Job Center, the help of an in-home parent*

educator, and a job coach from the Department of Vocational Rehabilitation, who negotiated a structured training program at a local restaurant/marina business. This program led to a regular job paying \$8.00 per hour plus tips.

- A two-parent family applied for W-2 in the wake of an automobile accident that left the husband with severe injuries. W-2 staff allowed the mother to stay home while she was needed to care for her husband, and worked with the family to help the father receive veterans' and Social Security benefits, as well as the care that he needed. They arranged for the husband to receive counseling for post-traumatic stress syndrome and for the couple to receive marital counseling. As the husband's condition improved, W-2 staff helped the wife enter Certified Nursing Assistant training. She was hired at \$11.00 per hour, with health benefits, at a nursing home.*
- A nineteen-year-old single woman with three children under four was assigned to work on her GED, attend two weeks of life skills classes, and then begin work experience. Counseling and medical appointments were also arranged. W-2 contracted with Lutheran Social Services for a "workforce assistant" to help with problem solving and organization skills. A variety of child care, housing and health problems came up during the work experience placement. W-2 workers helped her find child care and move to a different apartment. She also took all her GED exams. She was eventually hired full-time by her work experience site. W-2 is providing continuing case management and helping her work toward her high school degree and drivers license.*

For more information, contact Margaret McMahon, W-2 Program and Planning Analyst, (608) 266-5899 or MCMAHMA@dwd.state.wi.us.

Montana

An impressive 89 percent of non-working adults and minor household heads in families receiving assistance under Families Achieving Independence in Montana (FAIM), the state's cash assistance program, participated in work activities listed under PRWORA in Federal Fiscal Year 1999.³¹ Montana's Welfare Reform Project Development Manager attributes the state's success in promoting participation to two major factors. The first factor, the lack of any exemptions from participation, is made possible by the second factor—the existence of a wide variety of allowable

³¹U.S. Department of Health and Human Services, *TANF: Third Annual Report to Congress*. This figure was derived by dividing the number of non-working adults receiving assistance and participating in work activities by the total number of non-working adults receiving assistance.

activities. Many of these activities do not normally count toward PRWORA participation requirements, but are allowed to be counted because the state is still operating under a waiver, allowing it to count these activities as participation.³²

No exemptions from participation. Nobody is exempt from participating in work activities. There is also no policy regarding temporary deferrals. In general, TANF recipients are expected to meet their required hours within a given month. They can make up for a missed week later in the month. In practice this does not always happen, but in general everyone is expected to be doing something except during a short-term crisis.

Broad list of allowable activities. Allowable activities include, in addition to all the federally allowable activities, a wide variety of pursuits deemed necessary to make clients employable, including activities to strengthen families. Allowable activities include such things as well-child checkups, parenting classes and postnatal care for a new mother; drug or alcohol treatment, postsecondary education, volunteer work at one's child's Head Start Center, pursuit of SSI benefits, domestic violence related activities; and mental health services, in addition to job search, work experience, and other short-term training. To ensure that this flexibility is not abused, cases are reviewed by supervisors and also by field monitors from the state TANF agency. TANF funds have been used to supplement available services. For example, TANF funds were used last year to help establish a residential home for women with chemical dependency along with their children. Previously, such women had to go to the state hospital, where they were not allowed to have their children with them. The state is planning to establish another such program with TANF funds.

Intensive case management. The state has contracted with private providers for intensive case management for those clients who need it. The case managers meet with their clients at least once a week. In addition, the state plans to continue a pilot program at five sites in which specially trained TANF staff provide intensive case management in county offices for those clients who are nearing their five-year time limit. These case managers meet with their clients almost daily.

Sanctioning policy. The mandatory nature of participation is backed up by strict sanctions for noncompliance. An amount equal to the adult portion of the benefit is subtracted for one month for the first instance of failure to cooperate. After the fourth instance, the adult portion is removed for one year. DPHHS believes this policy of terminating benefits for a year with no opportunity to have benefits restored by cooperating causes families to use up some of their limited months of benefits without working toward self-sufficiency, and the state is currently developing a new policy. One piece of the current policy that will be retained is extensive intervention, including a home visit, before a sanction is imposed.

³²States that were operating their welfare programs under waivers prior to the enactment of PRWORA are allowed to continue operating under those waivers until they expire, even when provisions of the waiver are inconsistent with PRWORA provisions.

In the Butte/Silver Bow County welfare office, applicants for FAIM cash assistance are scheduled to come in every day at 9:00. They view a video and then an employee of a contractor provides information about client rights, confidentiality and other issues. The applicant is then referred to a case manager, called a FAIM Coordinator, who works with the applicant to develop a Family Investment Agreement. Most clients, except those who look like they will stay on welfare for a short time only, are sent almost immediately to the contractor that operates the Work Readiness Component (WoRC), the employment and training program for FAIM recipients. The WoRC case manager develops an employability plan outlining the specific steps the client must take to become self-sufficient. For a client with few barriers to employment, the plan might include job readiness classes, supervised job search, or possibly work experience, usually at a government or nonprofit agency. However, many clients have one or more employment barriers, including the lack of work experience, children with learning disabilities and other problems, mental health issues, drug and/or alcohol addiction, and poor basic skills or lack of a high school degree. Such clients might be assigned to a combination of services and activities, possibly including Adult Basic Education, GED training, life skills classes, drug treatment, mental health treatment. The employment plan might also include activities like exploring career options, enrolling one's child in Head Start or Early Head Start, working on obtaining needed educational services for one's child, applying for SSI, or applying for public housing. The Butte/Silverbow office is currently moving toward a multi-disciplinary team approach to FAIM case management, in which the different staff involved with a case (including providers of mental health or substance abuse services) meet weekly to discuss progress and possible changes to the employability plan.

For more information, contact Linda Snedigar, TANF Policy Program Manager, (406) 444-6676.

Oregon

Oregon has adopted a universal approach to welfare reform, with very few exemptions from participation.³³ About 49 percent of non-employed adult TANF recipients in Oregon were

³³This summary is based on Pamela A. Holcomb *et al.*, *Building an Employment Focused Welfare System: Work First and Other Work-Oriented Strategies in Five States: Executive Summary Report* (Washington DC: The Urban Institute, June 1998); available from: <http://www.urban.org/welfare/workfst.pdf>, accessed September 19, 2001; Gretchen Kirby, *et al.*, *Integrating Alcohol and Drug Treatment into a Work-Oriented Welfare Program: Lessons from Oregon* (Princeton, NJ: Mathematica Policy Research, Inc, June, 1999); available from: <http://www.mathematica-mpr.com/PDFs/oregon.pdf>, accessed September 19, 2001 and Amy Brown, *Beyond Work First: How to Help Hard-to-Employ Individuals Get Jobs and Succeed in the Workforce* (New York: Manpower Demonstration Research Corporation, April 2001); available from: <http://www.mdrc.org/Reports2001/HardtoServe/MDRCHow-ToHardtoEmploy.pdf>, accessed September 19, 2001; as well as conversations with Sue Ford, Assistant JOBS/TANF Manager, Adult and Family Services.

participating in work activities listed in PRWORA in an average month of FY 1999, as compared to only 20 percent nationwide.³⁴ In addition, the state is still operating under a waiver that allows it to count as participation a number of activities that do not count toward PRWORA participation standards. As a result, Oregon reported a total participation rate (including individuals who are working in unsubsidized employment) of 96.7 percent in FY 1999. Oregon has backed up its universal approach by providing additional child care funding, developing activities that are capable of serving large numbers of recipients at relatively low cost, providing activities that are appropriate for people who are not ready for immediate work, forging strong linkages with community agencies providing the services that recipients need to resolve employment barriers, training workers to recognize specialized needs and emphasizing tracking and monitoring. Some of the major features of the program are listed below.

Nearly universal participation in work activities. Oregon was one of the first states to eliminate nearly all of the exemptions under the JOBS program. Only a few categories of people are exempt, including VISTA volunteers, women in their ninth month of pregnancy and those caring for a child twelve weeks of age or younger.

Strong emphasis on quick placement in employment. Almost all new recipients are required to participate in job search before any other activities, although a few may be assigned to drug or mental health treatment before looking for a job. Those who do not find a job after four weeks of searching may be assigned to additional job search or other activities, such as subsidized employment, education, or training.

Broad definition of allowable activities. Consistent with its universal approach to participation in work activities, Oregon does not exempt TANF recipients with substance abuse or mental health problems from participation in welfare-to-work activities. But the state has defined work-related activities broadly enough to include substance abuse and mental health treatment. However, treatment is combined with work or work-related activities whenever possible. Candidates for treatment are identified through assessment, by case managers, or through clients' failure to follow through with an employment plan. On average, clients referred for mental health services receive about twelve weeks of counseling and clients referred for drug treatment receive an average of twenty-two weeks of service.

Strong relationships with service providers. Oregon's TANF agency has worked to develop strong relationships with the substance abuse and mental health systems. Certified alcohol and drug professionals are co-located in all welfare offices to conduct classes, screen clients for alcohol and drug problems, provide referrals for treatment, and help develop clients' self-sufficiency plans. Many offices also have mental health counselors on-site, providing support to staff, counseling to participants, and referral for additional services. Co-location enhances

³⁴U.S. Department of Health and Human Services, *TANF: Third Annual Report to Congress*. This figure was derived by dividing the number of non-working adults receiving assistance and participating in work activities by the total number of non-working adults receiving assistance.

collaboration between the systems and allows welfare offices to conserve their limited case management resources. Frequent opportunities for communication between the systems and cross-training of staff from each system also enhance collaboration. When clients are referred for outside services, case managers maintain close relationships with providers to monitor attendance and progress.

Subsidized employment. Oregon has developed JOBS Plus, a subsidized employment program for welfare recipients. Clients are placed in newly created positions in local businesses for six months. JOBS Plus participants receive a paycheck instead of cash benefits and food stamps. Employers are reimbursed for wages up to the minimum wage and other employee expenses, but they are required to contribute one dollar per hour worked to an Individual Education Account to increase access to continuing education to program participants and their families. The program is often targeted to TANF recipients who do not find a job after participating in job search. JOBS Plus is a small program, serving 1,288 TANF recipients in April 2001 compared to a total of about 16,000 cases, and the Governor has not recommended continued funding for this program in the coming fiscal year.

Limited reliance on time limits combined with strict sanctions. Oregon limits the receipt of cash assistance to two years in any seven-year period. However, the months are not counted when people are participating in the JOBS program. On the other hand, strict graduated sanctions mean that those who do not cooperate for five or six months lose their entire grant. Before a case can be closed, case managers are required to conduct an intensive case management session with the noncompliant adult, make a home visit (with exceptions allowing an office visit), make a plan with community agencies and child protective services to address the safety of the children, and obtain management review and approval of the decision and safety plan for the children.

Emphasis on case management, monitoring and tracking. Most TANF clients receive “intensive case management,” with a ratio of one worker to ninety clients, in contrast to the less intensive form of case management provided to recipients of other programs such as Food Stamps. Much emphasis is placed on monitoring and tracking clients. Strong relationships with service providers help make this possible. For example, in many cases, the instructors notify JOBS case managers immediately when a client does not show up for class, and the case manager follows up immediately with a call or home visit.

Local flexibility. Local teams within each district have been given the flexibility to design their own approach to self-sufficiency. Initially, these teams met with other community partners, like community colleges, to develop each district’s approach. Performance standards developed for each district provide a measure by which effectiveness can be measured.

In most districts, outpatient services are the primary treatment method for drug-addicted clients. Such services include individual or group counseling sessions, educational and support groups, and aftercare. Once a treatment plan for outpatient services is developed, AFS schedules other activities that do not interfere with treatment, such as life skills

*classes, parenting classes, stress management, or work experience placements. The mix of activities in the Employment Development Plan will depend on the client's level of treatment, treatment schedule, and skills and abilities. Often there will be a heavy focus on treatment early in the process, and various work activities will be added as treatment progresses.*³⁵

For more information, contact Sue Ford, Assistant JOBS/TANF Manager, Adult and Family Services, 503-945-6473, Sue.Ford@state.or.us.

Utah

Utah eliminated all exemptions from welfare-to-work participation before the passage of PRWORA, but soon found itself facing difficulties in serving people with severe employment barriers. As a result, the state expanded its definition of allowable services in order to maintain the concept of mandatory participation while still providing appropriate activities.³⁶ After the passage of PRWORA, Utah continued to operate its program under waiver authority that allowed it to continue tailoring its participation to individual needs. The waiver expired in December 2000, and the state is now considering reducing the menu of allowable activities in order to meet federal participation requirements. A monthly average of 29 percent of Utah's non-working adult TANF recipients participated in work activities listed in PRWORA in Federal Fiscal Year 1999, as compared to a national average of 20 percent.³⁷ However, when activities approved by the state but not the federal government are counted, the state calculates that 70 percent of adult TANF recipients are participating in approved activities.

Utah has consolidated its cash assistance and workforce development services, which are provided in Job Centers operated by the Department of Workforce Services. A client who comes into a center seeking assistance is treated like any other job seeker. Cash assistance is simply one item on a menu of services available, and is provided for clients who cannot obtain a job quickly. All clients entering the Job Center are assessed for by an employment counselor, whether or not they are seeking cash assistance. The assessment includes the need for cash assistance and the presence of barriers to employment. The employment counselor develops an employability plan with the client. If the employment counselor identifies serious barriers to employment, the client will be referred to a social worker for a more in-depth assessment before the plan is developed, and the social worker will work with both the employment counselor and the client to develop the plan.

³⁵Kirby, *et al.*

³⁶Brown, p. 37.

³⁷U.S. Department of Health and Human Services, *TANF: Third Annual Report to Congress*. This figure was derived by dividing the number of non-working adults receiving assistance and participating in work activities by the total number of non-working adults receiving assistance.

No exemptions. Utah does not exempt anyone from participation in work activities. However, people who are working on resolving an employment barrier such as child care, transportation or court problems are temporarily considered to be participating until the barrier is resolved. For these people, the steps needed to resolve the barrier are considered to be participation in the program.

Wide variety of activities. Utah’s no-exemption policy is made possible by the wide variety of activities that it considers to be “participation.” These activities include mental health treatment, drug treatment, medical treatment, employment mentoring, family crisis resolution, family violence resolution, and life skills/self-esteem classes. Many of these alternative activities, such as mental health and drug treatment, are made possible through contracts paid for with TANF funds.

Extra help for hard to serve. Utah has consolidated cash assistance and workforce development services under its one-stop employment centers operated by the Department of Workforce Services. Employment counselors are responsible for overseeing the cases of all clients, whether or not they are receiving cash assistance. However, social workers are available at all the one-stop centers to work with TANF recipients determined by their employment counselors to have serious employment barriers, such as substance abuse or mental health issues. The social worker does an in-depth assessment and works with the client and employment counselor to help the client obtain the services she needs to become employable. However, the employment counselor remains responsible for the case.

Sanctions. If a parent does not participate in agreed-upon employment activities, conciliation is started. Conciliation is a problem-solving process. A team of consultants such as the social worker, supervisor, and treatment work, review the circumstances to ensure that a sanction is appropriate. The process includes consultation with the parent in order to find out why she is not participating. If the parent continues not to participate, the grant is reduced by \$100 per month until he or she chooses to participate. After two months of grant reduction for non-participation the entire case is closed. The full grant is restored when the parent agrees to participate.

For further information, contact Jennifer Earnshaw, Family Employment Program Specialist, 801-526-9772, JEARNSH@WSADMMSDS.WSADMN.state.ut.us or Cathie Pappas, TANF Program Specialist, (801) 526-9760, cmpappas@ws.state.ut.us

New York City

New York City has long been known for its large “workfare” program, in which TANF and General Assistance recipients work at public agencies in exchange for their benefits. However, the city’s TANF program has been moving toward a larger menu of activities and a greater tendency to combine work experience with other activities. Out of a total of approximately 145,000 TANF cases, about 51,000 are exempt from participation because they are child-only cases or the parent is ill or incapacitated, caring for an incapacitated person, caring for a child under one year old, in the

ninth month of pregnancy, or sixty years old or older. About 11,000 are waiting to be placed in an activity or evaluated for proper placement, and about 50,000 are engaged in approved activities.³⁸ When the families with working parents and child-only cases are taken out of the calculation, the proportion of non-working TANF cases that are engaged in approved activities is about 27 percent.

Applicants for TANF meet first with two employees of the Human Resources Administration (HRA)—a “financial planner,” or income maintenance worker and an “employment worker,” who discuss emergency need issues and work requirements, begin the application process and help the client begin arranging child care.³⁹ The client is then referred to an employee of a job placement vendor, who is out-stationed in the Job Center, for an orientation. Clients continuing their applications then go to the vendor’s site for assessment and job search activities. When the case is approved for assistance, the client may stay with the contractor for a few more weeks at the vendor’s request, but the total job search period does not generally exceed six weeks. If a job is not imminent shortly after the case is opened, the client meets with an HRA caseworker who is out-stationed at the job placement vendor to arrange to begin participation as a regular recipient. For an able-bodied person with no serious barriers to employment, participation usually means three days a week of work experience and two days a week of job search with a vendor. If a client claims medical problems, mental health problems, substance abuse or domestic violence or if such issues are detected at any stage in the application process or during the client’s involvement with HRA, the client is sent to a different contractor to assess the client for these issues and recommend activities. Such individuals may be assigned to some of the special programs described below, which often combine work experience with activities designed to address their employment barriers.

Work experience. In recent years, New York City has relied heavily on work experience as an activity for its TANF recipients, via the city’s large Work Experience Program (WEP). Recipients are assigned either directly to a city agency or to a community-based organization that supervises participants at a worksite and monitors their attendance. The hours worked are determined by the TANF grant divided by the minimum wage, which means that most people cannot be assigned to work more than three days per week. Because most people are required to participate on a full-time basis where appropriate, work experience is usually combined with other activities. About 12,500 TANF recipients are participating in work experience. About 3,600 of these people are participating in work experience and job search concurrently. All of the other work experience participants have been assigned to participate in some concurrent activity addressing specific issues they may have; many of these are involved in specialized programs that integrate appropriate work experience with training or therapy or skills building activities. Many of the city work experience slots are at the Parks and Sanitation Departments cleaning streets and parks, but

³⁸For cases where there is more than one adult in the case, the status of the “most engaged” adult is the one that gets reported.

³⁹The city is starting to combine the income support and employment functions in one worker, called a Job Opportunity Specialist.

there are also many office jobs. HRA has just begun a program with the Parks Department in which Parks is hiring clients into temporary subsidized jobs that are expected to become permanent positions.

Special programs for those with employment barriers. In the past couple of years, New York has developed a variety of special programs for those with particular barriers to employment. Many of these programs employ an integrated model in which work experience and other services are provided at one site. City officials believe that this integration significantly increases program effectiveness because of the synergy created by the combination of different activities and the reduced likelihood of “losing” people between activities. PRIDE is a partnership with the state departments of labor and education and the agency responsibility for services to people with disabilities. PRIDE provides an integrated model combining work experience that is accommodating to their disabilities with training and other services. About 2,300 TANF recipients are participating in this program. About 1,300 people are concurrently receiving substance abuse treatment (mostly in nonresidential programs) and participating in work experience. BEGIN provides concurrent work and education to people who have very low levels of basic skills in an integrated model for about 3,500 TANF recipients.

Aggressive monitoring. According to Andy Bush, formerly the Executive Deputy Administrator of the Human Resources Administration, the key to involving and effectively serving large numbers of people in a welfare-to-work program is monitoring (1) whether participants actually show up for their activities and (2) whether they are making progress toward the goal of the activity, such as building work skills they can use, or becoming free of drugs when the participant is in drug treatment. The city has had considerable success in monitoring attendance by establishing mechanisms to refer clients to WEP sites and other programs and receive regular information from sites about attendance, and by reviewing site operations and procedures to help ensure adherence to rules. However, New York is just beginning to work on monitoring the actual progress of its clients toward their goals. With the help of a new Case Progress Review Form, TANF caseworkers are being trained to ask the relevant questions such as whether a recipient is in the right activity and what factors are interfering with the achievement of her employment goals.

Sanctioning. New York State has partial family sanctions, whereby only the adult portion of the benefit is deducted for noncompliance. Out of 145,000 TANF cases, about 15,500 are in sanction status. An additional 17,000 are currently noncompliant and HRA is attempting to work with them and resolve their issues. Many of them will resolve their issues and be re-enrolled in activities. City officials suspect that some people have made a conscious choice to accept the sanction rather than participate in the required activities; others may have misunderstood program requirements or been the victims of erroneous reports from program sites; these cases are usually cleared up easily. The city has contracted with a group of faith-based organizations to reach out to families under sanction and get them to participate in the program. This effort, a demonstration project funded by the State Department of Labor, has been very successful but also very labor-intensive. An evaluation by the Rockefeller Institute is expected to be available later this year.

For more information, contact Swati Desai, Director of Research and Data Analysis, Office of Policy and Program Analysis, Human Resources Administration, (212) 331-6070.

Montgomery County, Ohio (Dayton)

Ohio has merged its workforce development (Workforce Investment Act/Unemployment Insurance/Employment Service) and cash assistance services into the Department of Job and Family Services (DJFS). In Montgomery County, TANF is administered by the Montgomery County Department of Job and Family Services (MCDJFS) at the Job Center, an eight-acre facility with forty-seven public, private and not-for-profit agencies. These agencies cooperate to provide education, training and supportive services to Ohio Works First (OWF, Ohio's TANF program) recipients and the general public. Most OWF clients are required to seek jobs right away; the county's vibrant economy and the location of cash assistance services in the Job Center means that most people are fairly easily placed in jobs.

When a TANF applicant comes into the Job Center to file an application, he or she is directed to a licensed social worker, who provides an informal assessment of the client's needs and barriers. The client is then transferred to an income maintenance worker who does a more formal assessment and works with the client (if he or she is probably eligible for TANF) to develop a self-sufficiency plan. All OWF recipients must participate in activities for forty hours per week. Other activities may be included, but paid or unpaid work is usually part of the assignment. As a result of Dayton's work-oriented policy, a monthly average of 58 percent of adult TANF recipients was participating in approved work activities for forty hours per week in State Fiscal Year 2001. When all TANF cases with participation hours are included, a total of 1,865 assistance groups, or eighty percent of TANF families (excluding child-only cases) had participation hours in May 2001. When the 131 families that were working and participating in no other activities are excluded, the percentage hardly changes. About two-thirds of the families with unsubsidized employment were also participating in other OWF activities, especially work experience.

Exemptions and sanctions. Montgomery County exempts no one from participation except those with children under three months, those who are ill or caring for an ill family member, and those who are more than sixty years old. The county runs a Life Skills program for women in the last trimester of pregnancy and continuing up to six weeks after the birth. The county is strict in applying the state sanction policy, which eliminates the adult portion of the benefit for a month or until compliance, for the first instance of noncompliance. The maximum sanction, which occurs at the third instance of noncompliance, is the elimination of OWF cash assistance for six months or until compliance, whichever is later.

Heavy reliance on work experience. Montgomery County relies heavily on work experience as an activity for TANF recipients. More than 60 percent of the families active in May 2001 were in work experience, although some of these were in other activities as well. The county has traditionally maintained a large work experience program, although the program has declined in size along with the TANF caseload. Assignments are in public and not-for-profit agencies.

Flexibility in choice of activities. Montgomery County recognizes that some clients need additional services in order to become self-sufficient. As a result, the MCDJFS cooperates with local agencies and organizations to identify substance abuse and domestic violence. Those with such problems may be assigned to activities, such as drug treatment, that are not counted toward the participation rates required under PRWORA. Of all families participating in activities in May 2001, 15 percent were in activities that do not count toward PRWORA participation requirements, although some of them may have been in other activities as well. MCDJFS contracts with Goodwill to assess clients for physical and mental barriers to employment. Clients who are not deemed work-ready may be assigned to a sheltered work environment, an education or training program, or a program operated by the Rehabilitation Services Commission, or are assisted in applying for SSI or Social Security Disability benefits. MCDJFS also contracts with Lutheran Social Services for WEP Plus, a program for clients who have been on assistance at least eighteen months, do not have physical or mental impairments, but have cycled in and out of employment and welfare. This program provides intensive case management, counseling, referrals to education and training, direct placement in jobs, and retention and advancement services for those already working. In addition, all TANF recipients who have received benefits for more than eighteen months and are not in WEP Plus receive intensive case management services by social workers who have lower caseloads than the regular Job Center workers. These services include home visits to assess the clients' needs and identify barriers to employment.

Support services. The state has elected to fund child care up to 185 percent of the poverty level and supply is adequate, so that obtaining child care is not a problem for OWF recipients seeking employment, according to county officials. Dayton has an excellent mass transit system, and MCDJFS also provides financial assistance for car repairs, drivers' licenses, and even auto purchases. The greatest unmet need for support services is among people caring for a disabled family member. Alternative care for that family member is very difficult to find, although the intensive case managers try to help clients set up such arrangements.

A typical client might have two children and some high school, but no diploma or GED. A self-sufficiency plan for such a client would usually start with GED preparation. The local public school provides a GED review class, which is open entry open exit, right at the Job Center. The client might spend an average of six weeks in such a program. After passing the GED test, the client might take one of the career interest inventories available at the Job Center and then meet with the income maintenance worker to flesh out the rest of the plan. The Job Center is steering many clients into medical fields, for which the demand is high. Clients might be referred to a radiology, medical assistant or licensed practical nurse training program at the local junior college, or training as a certified nursing assistant at the local public school. Typically a client would be doing work experience while participating in training. At the end of the training, the expectation is that the client would obtain a job that makes the family independent of welfare.

For further information, please contact Dannetta Graves, Director, Montgomery County Department of Job and Family Services, (937) 496-6700.

Bibliography

Besharov, Douglas and Peter Germanis, 2000. "Welfare Reform—Four Years Later." *The Public Interest*, Summer.

Bloom, Dan and Charles Michalopoulos. 2001. *How Welfare and Work Policies Affect Employment and Income*. New York: Manpower Demonstration Research Corporation. Available from: <http://www.mdrc.org/Reports2001/NG-AdultSynthesis/NG-AdultResearchSyn-May2001.pdf>, accessed September 19, 2001.

Board of Directors, Manpower Demonstration Research Corporation. 1980. *Summary and Findings of the National Supported Work Demonstration*. Cambridge, MA: Ballinger Publishing Company.

Brock, Thomas, David Butler, and David Long. 1993. *Unpaid Work Experience for Welfare Recipients: Findings and Lessons from MDRC Research*. New York: Manpower Demonstration Research Corporation.

Brown, Amy. 2001. *Beyond Work First: How to Help Hard-to-Employ Individuals Get Jobs and Succeed in the Workforce*. New York: Manpower Demonstration Research Corporation. Available from: <http://www.mdrc.org/Reports2001/HardtoServe/MDRCHow-ToHardtoEmploy.pdf>, accessed September 19, 2001.

Center for Law and Social Policy and Center on Budget and Policy Priorities. 2000. *Findings in Brief: TANF Applications*. State Policy Documentation Project website. Available from: <http://www.spdp.org/tanf/applications/appsumm.htm>, accessed September 19, 2001.

Center for Law and Social Policy and Center on Budget and Policy Priorities. 2001. *Sanctions for Noncompliance with Work Activities*. State Policy Documentation Project website. Available from: http://www.spdp.org/tanf/sanctions/sanctions_findings.htm, accessed September 19, 2001.

Center for Law and Social Policy and Center on Budget and Policy Priorities. 2001. *TANF Work Activities and Requirements*. State Policy Documentation Project website. Available from: <http://www.spdp.org/tanf/work.htm>, accessed September 19, 2001.

Community Transportation Association of America. Updated July 1999. *Access to Jobs: A Guide to Innovative Practices in Welfare-to-Work Transportation*. Washington, D.C.: CTAA. Available from: <http://www.ctaa.org/ntrc/atj/pubs/innovative/>, accessed September 19, 2001.

Hamilton, Gayle and Susan Scrivener. 1999. *Promoting Participation: How to Increase Involvement in Welfare-to-Work Activities*. New York: Manpower Demonstration Research Corporation. Available from: <http://www.mdrc.org/Reports99/PromotingParticipation.pdf>,

accessed September 19, 2001.

Holcomb, Pamela A., LaDonna Pavetti, Caroline Ratcliffe and Susan Riedinger. 1998. *Building an Employment Focused Welfare System: Work First and Other Work-Oriented Strategies in Five States: Executive Summary Report*. Washington D.C.: The Urban Institute. Available from: <http://www.urban.org/welfare/workfst.pdf>, accessed September 19, 2001.

Jeskey, Carolyn. Revised 2001. *Linking People to the Workplace*. Washington, D.C.: Community Transportation Association of America. Available from: <http://www.ctaa.org/ntrc/atj/toolkit>, accessed September 19, 2001.

Kirby, Gretchen, LaDonna Pavetti, Jacqueline Kauff, and John Tapogna. 1999. *Integrating Alcohol and Drug Treatment into a Work-Oriented Welfare Program: Lessons from Oregon*. Princeton, NJ: Mathematica Policy Research, Inc. Available from: <http://www.mathematica-mpr.com/PDFs/oregon.pdf>, accessed September 19, 2001.

Knab, Jean Tansey, Johannes M. Bos, Daniel Friedlander, and Joanna W. Weissman. 2000. *Do Mandates Matter? The Effects of a Mandate to Enter a Welfare-to-Work Program*. New York: MDRC. Available from: www.mdrc.org/reports2001/NEWS-IMtoJOBS/NEWS-IMtoJOBS.htm, accessed September 19, 2001.

Pavetti, LaDonna and Debra Strong. 2001. *Work-Based Strategies for Hard-to-Employ TANF Recipients: A Preliminary Assessment of Program Models and Dimensions*. Washington, D.C.: Mathematica Policy Research Inc. Available from: <http://www.mathematica-mpr.com/PDFs/workbasedTANF.pdf>, accessed September 19, 2001.

Rowe, Gretchen. 2000. *State TANF Policies as of July 1999*. Washington, D.C.: Urban Institute. Available from: <http://newfederalism.urban.org/pdf/Wrd.pdf>, accessed September 19, 2001.

Savner, Steve. 1997. *Glossary of Work Program Terms*. Washington, D.C.: Center for Law and Social Policy. Available from: www.clasp.org/pubs/jobseducatin/GlossWPT.html, accessed September 19, 2001.

State of Wisconsin. Department of Workforce Development. *Wisconsin Works (W-2) Overview*. 2001. Wisconsin Works web page, <http://www.dwd.state.wi.us/desw2/wisworks.htm>, accessed September 19, 2001.

Thompson, Terry S., Pamela A. Holcomb, Pamela Loprest, and Kathleen Brennan. 1998. *State Welfare-to-Work Policies for People with Disabilities—Changes Since Welfare Reform*. Washington, D.C.: Urban Institute. Available from: <http://www.urban.org/welfare/wel2work.pdf>, accessed September 19, 2001.

U.S. Department of Health and Human Services. 2000. *State Welfare-to-Work Policies for People with Disabilities: Implementation Challenges and Considerations*. Washington, D.C.: U.S. Department of Health and Human Services. Available from: <http://www.urban.org/pdfs/wel-wrk-2k.pdf>, accessed September 19, 2001.

U.S. Department of Health and Human Services, 2000. *Temporary Assistance for Needy Families Program: Third Annual Report to Congress*. Washington, D.C.: U.S. Department of Health and Human Services. Available from: <http://www.acf.dhhs.gov/programs/opre/annual3.pdf>, accessed September 19, 2001.

U.S. Department of Labor. 1997 (revised 1999). *How Workplace Laws Apply to Welfare Recipients*. Washington, D.C.: U.S. Department of Labor. Available from: <http://www.dol.gov/dol/asp/public/w2w/welfare.htm>, accessed September 19, 2001.

U.S. General Accounting Office. 2001. *Welfare Reform: Moving Hard-to-Employ Recipients into the Workforce*. Washington, D.C.: US General Accounting Office, GAO 01-368. Available from: <http://www.gao.gov/cgi-bin/getchrpt?rptno=GAO-01-368>, accessed September 19, 2001.

Waller, Margy and Mark Allen Hughes. 1999. *Working Far From Home: Transportation and Welfare Reform in the Ten Big States*. Philadelphia: Public/Private Ventures and Washington, D.C.: Progressive Policy Institute. Available from: http://www.ppionline.org/documents/far_from_home.pdf, accessed September 19, 2001.